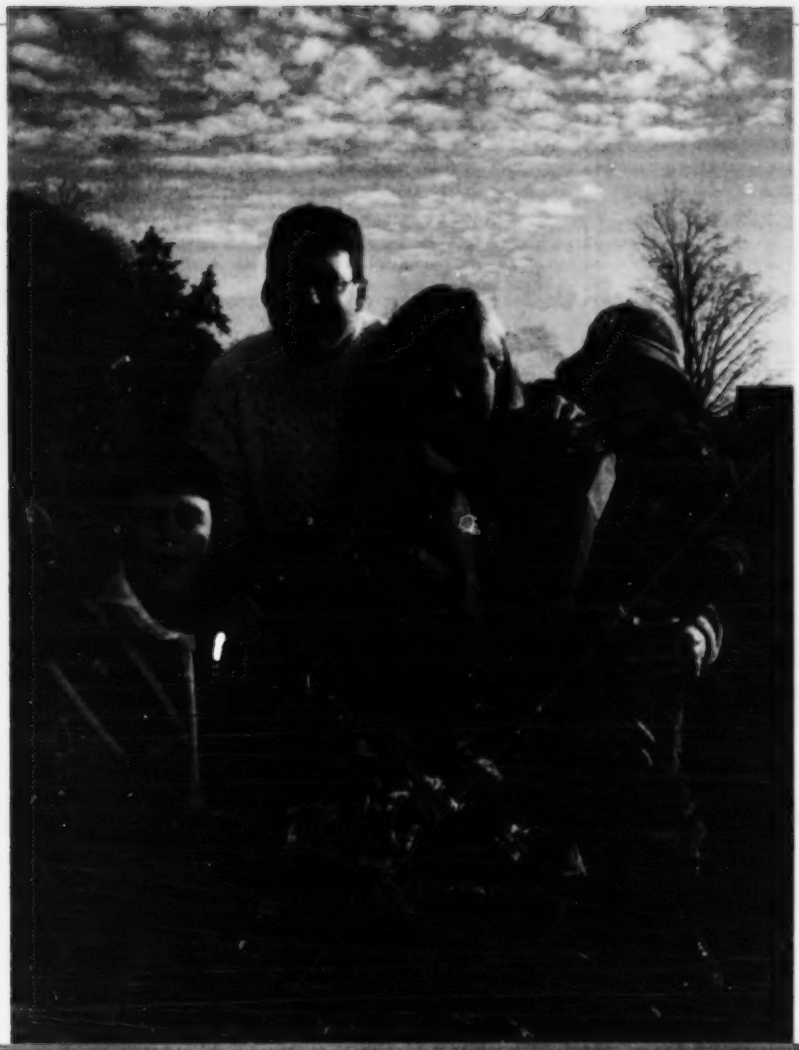

Sustainable Development

2005 Report

ONTARIO POWER GENERATION

Performance Highlights

Recognizing that good stewardship is good business, Ontario Power Generation (OPG) committed to becoming a sustainable development company in 1999. Since then, we have published an annual Sustainable Development Report which enables stakeholders to review our progress.

OPG's sustainable development performance highlights for 2005 include:

- Over 70 per cent of OPG's energy generation was derived from nuclear and hydroelectric sources, which were virtually free of air emissions causing smog, acid rain and global warming.
- Pickering Generating Station (GS) Unit 1 was returned to service, adding approximately 515 MW of virtually air emissions free capacity to Ontario's electricity supply.
- Acid gas emissions were among the lowest in over two decades, despite OPG's five fossil plants generating 14 per cent more energy than in 2004. The acid gas emission rate was the lowest ever for OPG and almost 70 per cent lower than in 1983. OPG's total acid gas emissions were also at their lowest level since 1996. This improvement was the result of installation of environmental controls on the fossil fuelled plants, combustion improvements, use of low sulphur coal and the return to service of Pickering GS Unit 1.
- OPG was the first and only recipient of the Electrical and Utilities Safety Association (E&USA) Gold Award in recognition of effective safety management systems and a strong safety culture across the company. OPG's Accident Severity Rate and All Injury Rate continued to be within the top quartile of the Canadian Electricity Association's 2002-2004 average.
- Atikokan GS and Lennox GS received Wildlife Habitat Certification, which adds to OPG's five other sites which have already been certified - Darlington GS, Lambton GS, Nanticoke GS, Niagara Plant Group and Pickering GS. Lennox GS was nominated for the Rookie of the Year Award, and Darlington GS was nominated for a Corporate Habitat of the Year Award.
- Pickering GS received the United Way 2005 Corporate Citizenship Award for outstanding contribution to its community. Nanticoke GS received the Passport to Prosperity award from the Grand Erie Training and Adjustment Board for the creation of co-op work opportunities for secondary school students. Nanticoke GS also received an Award of Merit from Environment Canada and the US Environmental Protection Agency for work to eliminate PCBs on its site. Thunder Bay GS won the 2005 Municipal Green Award for its recycling activities.
- Approximately 326,000 trees were planted in ecologically strategic locations. Since the spring of 2000, OPG has planted 2.2 million native trees on more than 1,000 hectares. This effort will offset about one million tonnes of carbon dioxide over the lifetime of the trees.
- Through its partnership with EXCEL (an Ottawa based consulting company), OPG donated carbon dioxide reduction credits to help make the climate conference in Montreal (COP11/MOP1) "carbon neutral".
- Sustainable Development Education Training was delivered to 600 new supervisors across OPG.

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Corporate Profile

Ontario Power Generation Inc. is an Ontario-based electricity generation company whose principal business is the generation and sale of electricity in Ontario. Our focus is on the efficient production and sale of electricity from our generation assets, while operating in a safe, open and environmentally responsible manner.

In 2005, OPG generated 108.5 terawatt hours (TWh) of electricity.

OPG's electricity generating portfolio as of December 31, 2005, had a total in-service capacity of 22,173 megawatts (MW), which consisted of:

- three nuclear generating stations with a capacity of 6,606 MW
- five fossil-fuelled generating stations with a capacity of 8,578 MW
- 64 hydroelectric generating stations with a capacity of 6,982 MW and
- three wind generating stations (which includes a 50 per cent interest in the Huron Wind joint venture) with a capacity of 7 MW.

In addition, OPG, ATCO Power Canada Ltd. and ATCO Resources Ltd. co-own a 580 MW gas-fired generating station near Windsor, Ontario. In November 2005, OPG's Pickering A, Unit 1 nuclear reactor was returned to service, adding 515 MW to OPG's in-service generating capacity. OPG also owns two other nuclear generating stations, which are leased on a long-term basis to Bruce Power L.P.

Message from the President of OPG and the Acting Vice President of Sustainable Development

This is OPG's seventh Sustainable Development Report since our creation as a company in 1999. As with past reports, our 2005 report focuses on the three core aspects of OPG's sustainable development commitment: our environmental performance; our social and community performance; and the economic contribution we make to Ontario.

Environmental Performance

From an environmental perspective, OPG performed well in several areas in 2005. These areas included spills, energy efficiency, gross fossil air emissions, radiation emissions and the diversion of ash and gypsum from landfills. We were especially proud that acid gas emission rates at our five fossil-fuelled plants were the lowest ever in our history, despite the fact that in 2005 these plants produced significantly more electricity than they did the year before. This is a tribute to the emission control equipment installed at these stations and the commitment of our employees to operate them in an efficient and environmentally responsible manner.

While OPG had many environmental achievements in 2005, we did experience some challenges. Specifically, we incurred two major infractions in 2005, and our production of low and intermediate level radioactive waste was higher than targeted. We are resolved to examine and strengthen our performance in these areas going forward.

Social Performance

OPG is strongly committed to the communities in which we operate. In 2005, under our Corporate Citizenship Program, we provided $1.7 million to over 750 registered charitable and not-for-profit initiatives in those communities. These included educational and environmental organizations, humanitarian causes, health and safety initiatives, youth amateur sports groups and arts and cultural initiatives. Also in 2005, OPG employees and pensioners contributed $1.9 million to the company's Annual Charity Campaign, whose proceeds go to charities across Ontario. Employees and pensioners of OPG were active as community volunteers.

In the area of public safety, OPG continued to operate its extensive Public Water Safety program to inform the public of potential hazards at our hydroelectric sites and how they can be avoided. We continued to make every effort to operate all our stations according to the highest and most rigorous of safety standards. Maintaining our excellent public safety record is a top priority.

Economic Performance

OPG's economic contribution to Ontario is substantial. Our 11,000 employees not only contribute to their communities through charitable donations and volunteer work, they also pay provincial taxes and purchase numerous Ontario-made goods and services.

As a company, in 2005 OPG made payments to the Province of Ontario that totaled $1.71 billion, which included payments in lieu of taxes, gross revenue charges, dividends, interest on long term debt, Market Power Mitigation Agreement (MPMA) rebates and revenue limit

rebates. In 2005, OPG also provided economic support to the province through the purchase of goods and services totaling $3.08 billion.

OPG is Committed to Sustainable Development

This is OPG's first Sustainable Development report since the release of our new mandate, which we negotiated with the Ontario government in 2005. Our new mandate specifies OPG's roles and responsibilities as a power provider in Ontario. This includes the responsibility to operate in accordance with "the highest standards of...corporate governance, social responsibility, corporate citizenship... and environmental stewardship." These words represent a clear message from our shareholder to adhere to the principles of sustainable development. We intend to live up to these words through our continued commitment to sustainable development.

This commitment is further reinforced by our Code of Business Conduct, which is annually reviewed by the OPG Board of Directors. The Code covers a wide range of ethical behaviours that OPG expects from itself and its employees. With respect to sustainable development, our Code specifies that OPG:

- Commit to becoming a sustainable development company, balancing financial growth, social responsibility and environmental leadership.
- Achieve environmental leadership through continual improvement in ecosystem protection, energy and resource use efficiency, and pollution prevention.
- Meet all legislative and voluntary environmental commitments, with the objective of moving beyond compliance.
- Be a socially responsible and participatory corporate citizen.

Our new Mandate and our Code of Business Conduct make clear our commitment to continuous improvement in our sustainable development performance. They also hold us accountable for achieving results. It is in this spirit — of accountability, openness and transparency — that we present our Sustainable Development 2005 Report.

We hope you will find it useful, informative and indicative of our strong commitment to continually improve our environmental, social and economic performance. Please feel free to contact us (see contact information on the back cover) if you have any comments or questions.

Sincerely,

Jim Hankinson
President and CEO

Cara Clairman
Acting Vice President Sustainable Development

Accountability

Accountability for sustainable development at OPG rests with the President, who is accountable to the Board of Directors for making certain the company manages the environmental, social and economic aspects of its business in a manner consistent with OPG's Code of Business Conduct.

Site environmental and community advisors, working in collaboration with the Corporate Sustainable Development Group, are responsible for a variety of stewardship initiatives (described throughout this report) and sustainable development activities that take place across OPG's operations.

To ensure that OPG employees remain "ahead-of-the-curve" in the area of sustainable development, in 2005 the company continued a program initiated in 2003, that requires all new supervisors to participate in training entitled "Sustainable Development at OPG: Our Commitment to the Environment, Society and Economy". The purpose of this training, which is ongoing, is to ensure that supervisors can advise employees under their direction of the need and means to operationalize sustainable development on a daily basis. In 2005, 600 supervisors from across OPG received sustainable development training.

Environmental Performance

OPG's commitment to sustainable development is reflected in its efforts to minimize the environmental footprint of its operations, while meeting the company's obligation to produce power for the residents of Ontario.

Key Environmental Performance Targets

OPG must comply with literally hundreds of environmental laws, regulations, by-laws and requirements contained in operating permits and Certificates of Approval. We consider regulatory compliance to be a minimum, non-negotiable standard for progress towards sustainable development by our company, and we have established voluntary internal environmental targets to help ensure that our overall performance continues to improve beyond compliance.

Accordingly, each year OPG sets key targets for improving environmental performance, and these targets are tracked and managed through the Environmental Management System (EMS). These efforts are reinforced by an Annual Incentive Plan that links management's compensation to meeting or surpassing established environmental targets.

As is evident based on a review of Table 1, OPG's success in meeting 2005 environmental targets was mixed. Notably, our company met or performed better than self-imposed targets for spills management, moderate infractions, energy efficiency, gross fossil air emissions (nitric oxide/NO and sulphur dioxide/SO_2), radiation emissions (referred to as Critical Group Dose in Table 1) and the diversion of ash and gypsum from landfills.

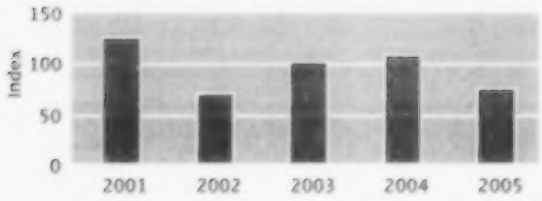
In three areas, OPG's 2005 performance did not meet our internal targets. Specifically, in reference to regulatory compliance, OPG incurred two major infractions (convictions under environmental legislation) for late environmental reporting and a failure to follow-up on reporting by Lambton GS. Regarding NO emission rate from our fossil stations, two plants - Lennox GS and Thunder Bay GS - did not meet their target due to extended minimum and low load operations. The target for the production of Low and Intermediate Level Radioactive Waste (LILRW) was also not met in 2005.

Table 1: Corporate Environmental Performance Targets (All targets are voluntary except where otherwise specified)

Category	2005 Target	2005 Year-End	Target Met
Spills [1]	Major A = 0	0	Yes
	Moderate B = 0	0	Yes
	Minor C ≤ 20	17	Yes
	Minor D[2] - No Adverse Environmental Effect	12	No Target
Regulatory Compliance	Major Infractions[3] = 0	2	No
	Moderate Infractions[4] ≤ 116	56	Yes
	Minor Infractions	62	No Target
Energy Efficiency	50 GWh (EP - 50, Nuclear - 0)	57.5 GWh	Yes
Air Emissions	NO ≤ 22.4 Gg net [5]	26.0 gross	Yes
	SO_2 ≤ 153.5 Gg net [5]	113.6 gross	Yes
	Total Acid Gas ≤ 215 Gg gross[5]	139.6	Yes
	NO rate (Gg/TWh-delivered)[6]	0.95	Partial[7]
	CO_2 (Tg)	30.2 gross	No Target
Critical Group Dose	Pickering ≤ 10 µSv	6.8 µSv	Yes
	Darlington ≤ 7.5 µSv	0.9 µSv	Yes
Low and Intermediate Level Radioactive Waste	≤ 4,206 m^3 (~351 m^3/month)	5,695 m^3	No
Ash and Gypsum Diverted from Landfill	≥ 625 Gg	802 Gg	Yes

(1) OPG ranks the severity of spills according to guidelines set by the company's Spills Severity Rating Procedure, which mirrors Ontario Ministry of the Environment guidelines.
(2) Reporting of Category D spills (minor spills with no adverse environmental effect) commenced July 1, 2005, in response to passage of the Ontario *Environmental Enforcement Statute Law Amendment Act* in June 2005.
(3) Major infractions are defined as Director's Orders, charges and convictions.
(4) Moderate infractions include Municipal Industrial Strategy for Abatement (MISA) and Certificate of Approval violations and Provincial officers' orders.
(5) Emission reduction allowances and credits were used to meet net emission reduction targets for NO. O.Reg.397/01 limits OPG's annual net emissions to 22.4 Gg for NO and 153.5 Gg for SO_2, with gross emissions capped at 46.6 Gg for NO and 168.9 Gg for SO_2. O.Reg.153/99 limits OPG's total gross SO_2 emissions to 175 Gg and the total acid gas emissions to 215 Gg.
(6) NO emission rate targets are based on "delivered energy". Delivered energy is defined as "gross energy output from a generating unit, less unit service (energy supplied by and consumed by the unit), while connected to the electricity grid". The NO emission rate (Gg/TWh-delivered) is the total of all fossil station NO emissions divided by the total delivered energy from all fossil units.
(7) NO rate targets vary by generating unit. Two NO target rates were exceeded due to extended minimum and low load operation.

Figure 1: Environmental Performance 2001 - 2005



OPG's environmental practices are assessed annually using an Environmental Performance Index (EPI). The EPI was first introduced in 2001, and it is based upon weighted scores calculated relative to voluntary performance targets for spills, regulatory compliance, energy efficiency, radiation emissions and waste management. The scoring system ranges from zero to 150, with higher scores reflecting better performance. An overall score of 100 indicates that, on average, targets were met, scores greater than 100 indicate performance better than target, and scores less than 100 indicate performance that did not meet targets.

In 2005, OPG's EPI fell below 100, which was poorer than in 2004 (see Figure 1). The primary reason for the decline in the EPI was two Major Infractions. A discussion of these infractions is profiled under Regulatory Compliance. It is noteworthy that independent of the Major Infractions, the EPI for 2005 would have otherwise improved relative to 2004.

OPG's ISO 14001 Environmental Management System (EMS) helps to ensure that the company complies with its environmental policy within a framework of continual improvement. OPG first received certification for its Corporate level EMS and all of its generating facilities in 1999, with the exception of Evergreen Energy, which was certified in 2000. In 2005, the Corporate level EMS and the EMSs for all of the generating facilities withstood an external registration audit process to retain certifications based on an upgraded ISO 14001:2004 standard.

Spills

Spills are categorized according to their potential impact on the environment: Category A spills have a major impact, Category B spills have a moderate impact, and Category C spills have a minor impact. Spills with no adverse environmental impact are classified as D. These categories mirror the Ontario Ministry of the Environment (MOE) guidelines.

Spills Management "In Action"

In June 2005, at the Lennox GS, a spill occurred during the topping-up of a glycol system. Glycol escaped to an outfall channel through a floor drain, and the Ministry of the Environment Spills Action Centre was immediately notified. An investigation into the incident, conducted by Lennox GS personnel, identified two root causes. First, a rubber bung was missing in the floor drain, and second, there were two open drain valves on the glycol system. To prevent a re-occurrence of this type of event, a full review of the glycol procedure was performed and a new procedure was communicated to all affected employees. A system to track removed bungs was also implemented.

In 2005, OPG experienced zero Category A or B spills. There were 17 Category C spills -- which was below OPG's self imposed target of 20 spills - with five originating within the fossil plants, nine within hydroelectric, and three within nuclear.

When a spill occurs, it is cleaned up as quickly as possible. A root cause analysis of why the spill occurred is completed, and if appropriate, an action plan to prevent a re-occurrence is developed.

Regulatory Compliance

OPG must comply with a multitude of requirements contained in statutes, regulations, bylaws, operating permits and Certificates of Approval.

OPG categorizes non compliances as major, moderate or minor infractions. Major infractions can occur in the form of Director's Orders, charges or convictions. In 2005, OPG had two major infractions which exceeded the internal target of zero. Conversely, OPG had 56 moderate infractions, which was well below the target of 116, and 62 minor infractions were incurred (OPG has no internal targets for minor infractions). Both of OPG's 2005 major infractions occurred in reference to Lambton GS operations: the first infraction resulted from failure to file reports in time, consistent with a Certificate of Approval requirement, and the second infraction resulted from failure to follow-up with a written report regarding an opacity event. In both cases, the infractions related to reporting failures that had

no impact on the environment. Nonetheless, infractions are unacceptable, and programs were implemented in an attempt to ensure that failures in reporting are not repeated.

Throughout 2005, OPG continued to emphasize the need to reduce all infractions. In coming years, OPG will continue to try to minimize all infractions, with a focus on reducing Municipal Industrial Strategy for Abatement (MISA) and Certificate of Approval infractions.

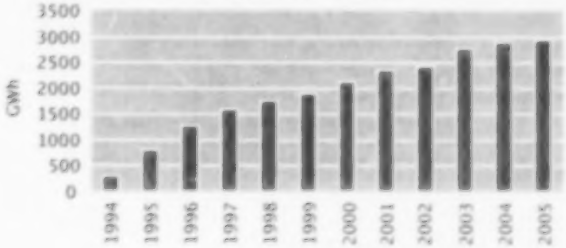
Energy Efficiency

OPG achieved internal energy efficiency savings of 57.5 GWh in 2005, which exceeded the company's self-imposed energy efficiency target of 50 GWh. Beginning in 1994, OPG's predecessor company, Ontario Hydro, committed to an energy efficiency program that remains successful over a decade later.

From 1994 - 2005, the annualized energy savings have increased by 2,948 GWh, resulting in monetary savings of $135 million per year (at 4.6 cents per kilowatt-hour) and emission savings of 2.87 million tonnes of carbon dioxide per year.

OPG's 2005 energy efficiency improvements originated primarily from hydroelectric facilities. Twenty MW of capacity were added through runner upgrades at Sir Adam Beck GS, Kipling GS and Chats Falls GS. These upgrades will increase energy output by an average of 35 GWh per year. Efficiency improvements from other smaller equipment upgrades added an additional 15 GWh. Planned hydroelectric efficiency upgrades in 2006 will add another 14 MW of capacity and 30 GWh per year.

Figure 2: Cumulative Annualized Internal Energy Savings, 1994 - 2005



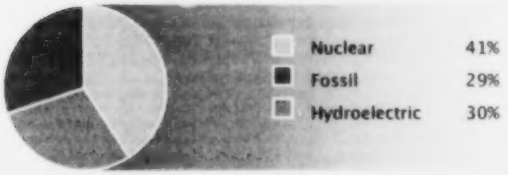
Immature Snowy Owl at Thunder Bay GS

Air

Generation Mix

In 2005, approximately 71 per cent of OPG's electricity production was derived from hydroelectric and nuclear sources, which were virtually free of air emissions causing smog, acid rain and global warming (see Figure 3).

Figure 3: OPG's Generation Mix - 2005



The remaining production came from five fossil-fuelled stations. These stations use coal as their primary source of energy and one is dual-fuelled by oil and natural gas. An advantage of fossil stations, compared to nuclear and hydroelectric facilities, is their capacity to respond to peaks in demand for power on short notice.

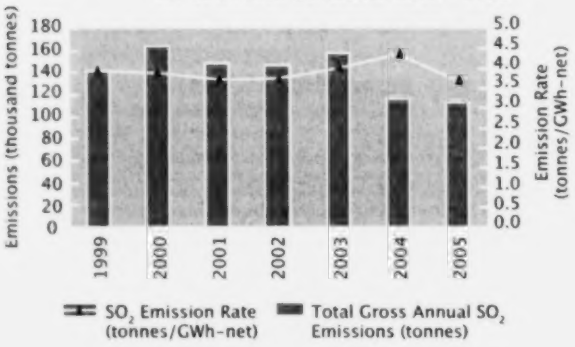
Nitric Oxide (NO) and Sulphur Dioxide (SO_2) Emissions

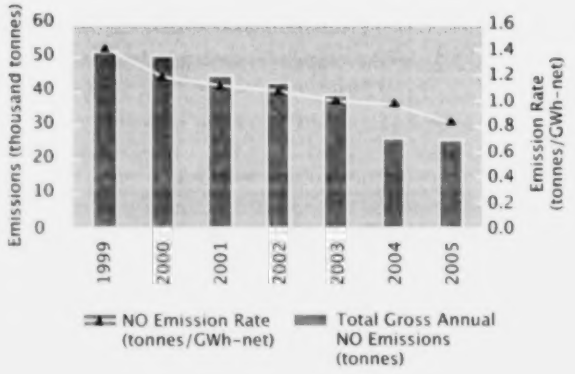
Generating electricity through the combustion of coal results in air emissions that include nitric oxide (NO), sulphur dioxide (SO_2) and carbon dioxide (CO_2). Various other contaminants, released in lesser amounts as a result of combustion, are documented in Appendix B.

Nitric oxide and sulphur dioxide emissions lead to the formation of acid gas precipitation, ground-level ozone and smog. Recognizing that nitric oxide and sulphur dioxide can have negative environmental impacts, these emissions have long been the focus of air emission reduction efforts at OPG.

In 2005, OPG's fleet of five fossil fuelled plants collectively set an all-time "personal best" for acid gas emission rates (nitric oxide plus sulphur dioxide emissions per kilowatt hour produced) (see Figure 4). Specifically, the 2005 total acid gas emission rate of 4.51 grams/kilowatt hour was OPG's lowest ever, and almost 70 per cent lower than it was in 1983.

Figure 4: SO_2 and NO Emissions and Emission Rates for OPG Fossil Generation 1999 - 2005



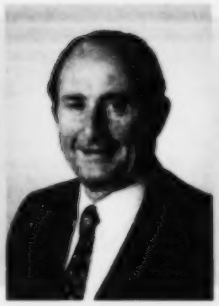


Projects like the Lennox GS gas conversion and installation of flue gas desulphurization at Lambton GS in the 1990s, and the more recent addition of selective catalytic reduction technology units at Lambton GS and Nanticoke GS, have provided major environmental benefits.

Total acid gas emissions have also declined, despite an increase in fossil electricity production in response to high demand. Although 2005 fossil electricity production increased by approximately 15 per cent over 2004 to 31 terawatt hours, total acid gas emissions were at their lowest level since 1996 when the fossil plants produced only 19 terawatt hours.

"Many modest projects like combustion improvements, transition to cleaner coals and efficiency improvements at all of the plants have made a very important contribution to our environmental performance."

Jim Twomey,
Executive Vice President, Fossil



As noted by OPG Executive Vice President Jim Twomey, "Our fossil environmental performance compares favourably with other fossil generators in North America, and every OPG employee can be proud of our environmental achievements."

Greenhouse Gas (GHG) Emissions Management

For the Federal Government of Canada, 2005 was a year of many new initiatives directed towards the management of GHG emissions. Notably, with the entry into force of the Kyoto Protocol and Canada's preparations to host the 11th session of the Conference of Parties, and the first Meeting of the Parties to the Kyoto Protocol in Montreal (COP11/MOP1), the Federal Government undertook many actions to demonstrate progress in the management of GHG emissions within Canada. Specifically, three initiatives were directed at establishing the framework for the regulation of GHG emissions:

- launch of Phase One of the mandatory Greenhouse Gas Reporting System, which required all facilities that emit the equivalent of 100,000 tonnes or more of carbon dioxide per year to report.
- publication in the Canada Gazette, the order to add GHG to Schedule 1 of the *Canadian Environmental Protection Act* 1999 (CEPA 1999), thereby enabling the Government to implement preventative or control actions under CEPA 1999.
- publication of the Notice of Intent to limit GHG emissions by Large Final Emitters (LFE).

As a follow up to the Notice of Intent, noted above, the Federal Government engaged industry sectors across the country in a discussion of sector specific regulations to limit GHG emissions from large domestic point sources on LFEs. Despite extensive consultations and release of the draft Cross-Cutting Regulation for GHG emissions, sector specific regulations to limit these emissions have note been targeted due to the change in Government.

Throughout 2005, OPG participated in the many stakeholder consultations about the proposed regulations and offsets system, both directly and through organizations such as the Canadian Electricity Association, the International Emissions Trading Association and the Clean Air Renewable Energy Coalition. OPG also participated in the drafting of the Canadian Standards Association GHG reporting standard.

OPG's primary greenhouse gas emission is carbon dioxide, released through the operation of fossil fuelled generating stations. In 2005, OPG generated approximately 71 per cent of its energy from nuclear and hydroelectric sources, which avoided the equivalent emission of 75.9 million tonnes of carbon dioxide that would have been produced had that electricity been generated from fossil fuelled stations.

In 2005, OPG's total gross carbon dioxide emissions were 30.2 million tonnes (see Figure 5). The carbon dioxide emission rate from the fossil fuelled fleet was 974 tonnes/GWh-net. This rate was a 2.9 per cent improvement over the 2004 emission rate.

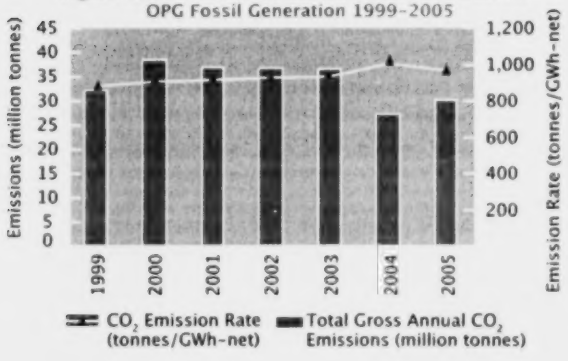
"In the Sarnia Lambton area, we share our air shed and the St. Clair River with many communities and with at least 16 other major industries. Our communities, both upstream and downstream are quite sensitive to our presence. Running a viable and environmentally responsible business, like Lambton, is not a contradiction in terms. Lambton strikes the sometimes difficult balance between economic efficiency, environmental protection and social responsibility. OPG's commitment to sustainable development helps us. We recognize the value our product brings to society and we seek to continually improve the plant's environmental performance while managing our costs efficiently. We care about our employees, our community, their safety and the environment in which we live."

Frank Chiarotto, Plant Manager, Lambton GS

OPG has historically managed its GHG emissions through improvements in energy efficiency and the purchase of GHG emission reduction credits. Implementation of the Province of Ontario's coal closure plan will significantly reduce OPG's GHG emissions. As a result of the expected regulatory GHG limits and the Government's off-coal policy, OPG has suspended the purchase of GHG emission reduction credits.

Through its partnership with EXCEL (an Ottawa based consulting company), OPG donated carbon dioxide emission reduction credits to help make the COP11/MOP1 conference in Montreal "carbon neutral". Carbon neutral means that all GHG emissions associated with the conference (due primarily to air travel) were offset by investing in GHG emission reduction projects.

Figure 5: CO_2 Emissions and CO_2 Emission Rates for OPG Fossil Generation 1999-2005



Radiation

The operation and maintenance of OPG's nuclear reactors releases low levels of radioactivity. The design of the nuclear plants minimizes these releases through, for example, multiple passive barriers including a one kilometre exclusion zone separating the public from the reactor building. Air dryers are used to remove tritium from the air, and filters capture particulate matter and iodine. Operating procedures also protect the health of employees and the public.

"Critical Group Dose" is a method used to measure radiation exposure to members of the public who live in close proximity to nuclear plants. Critical Group Dose calculations focus on the public's actual eating and drinking habits as obtained from survey data. The survey includes six age groups: three month old nursing infant, one year old infant, children aged five, 10 and 15 years and adult. Critical Group Dose is measured in microsieverts (μSv), an international unit.

In 2005, Critical Group Dose levels for Pickering GS and Darlington GS were 6.8 and 0.9 μSv, respectively, substantially below the limit of 1,000 μSv set by government. By comparison, the average Canadian receives about 2,000 μSv per year from natural sources such as cosmic rays and radon in the soil.

Land

Low and Intermediate Level Radioactive Waste (LILRW)

Nuclear operations produce Low and Intermediate Level Radioactive Waste (LILRW), which may include gloves, coveralls, boots, wipes and tools that have been radioactively contaminated. In 2005, the annual target for LILRW (4,206 m^3) was exceeded (5,695 m^3).

Excess production of LILRW was primarily due to the restart of the Pickering A Unit 1 reactor. Additionally, Pickering A and Pickering B (exclusive of the Pickering A Unit 1 restart) were above target due to the overall Pickering GS work program being greater than had been anticipated. Darlington GS achieved its LILRW target (780 m^3) with a total production of 700 m^3.

"Facilities such as the Darlington Nuclear Station are allowed to operate in the community in which we are located because, first, people consider us safe, and second, we bring value to the community. Our sustainable development program has provided us the direction and management strategy to ensure that adding value is an ongoing part of our day to day business."

Gregory Smith,
Senior Vice President, Darlington GS

Lambton's Mercury Mass Balance Review

In 2004, Lambton undertook a review of its mercury emissions following the installation of the Selective Catalytic Reduction (SCR) equipment. A mercury mass balance project undertaken in 2005 sampled all the input and output streams to confirm the source and downstream quantities of all mercury emitted by units with SCRs. The results demonstrated that for these units, approximately 90-95 per cent of mercury emissions were captured primarily in the station's ash and gypsum system sludge, with some captured in the gypsum by-product stream. Key to the capture was the combination of the type of coal burnt, in particular its chloride content, and the combination of SCR and Flue Gas Desulphurization (FGD) technology. The mercury mass balance work demonstrated the indirect benefit of mercury removal using the SCR/FGD technology. Additional work is currently underway to better understand the effect of temperature on mercury capture.

Ash and Gypsum Diversion

Coal fly ash, coal bottom ash and gypsum are by-products of fossil fuel combustion. In an effort to reduce waste, OPG has turned this "waste" into a commercial feedstock by finding buyers for these by-products. Fly ash is used in the manufacture of cement and concrete, in controlled low strength material or flowable fill applications, and in engineered landfills. Bottom ash is used for granular fill in road beds and gypsum is used for the manufacture of wallboard. OPG is exploring the potential for coal fly ash to be used as filler in paint and plastics.

In 2005, OPG utilized 62 per cent of these by-products, or 801,913 tonnes. This result reflects OPG's second best utilization of these by-products since 2002. Solid combustion by-products not used are sent to a recoverable landfill and may be subsequently used if markets develop.

PCB Management

Although OPG is not yet required to eliminate PCBs, the company's policy on PCB management requires the phase-out and destruction of 81 per cent (relative to 1994 inventories) of in-storage PCB waste and high-level in-service PCBs by 2005, and the remainder by 2015.

OPG is on track to eliminate all of its in-storage PCB waste and in-service high-level PCBs by the end of 2007. Building upon the initiative of its predecessor company, Ontario Hydro, OPG has reduced the inventory of in-service PCBs and PCB waste by approximately 73 per cent since 1994. In 2005, OPG shipped approximately 171 tonnes of high- and low-level PCB waste for destruction. As of December 2005, OPG's PCB waste and in-service PCB equipment inventory was 1,113 tonnes, as compared to 4,123 tonnes in 1994. OPG's Nanticoke GS received special recognition from Environment Canada and the United States Environmental Protection Agency at a bi-national conference in Toronto in 2005, for the site's work to eliminate PCBs from its plant and equipment. The program was completed in 2004. In making the award presentation, the agencies noted that Nanticoke's "commitment to the virtual elimination of PCBs has been instrumental to the success of the Great Lakes Bi-National Toxics Strategy."

Notably, Nanticoke GS removed more than 700 tonnes of PCB-contaminated oil and equipment between 1997 and 2004, at a cost of more than $13,000,000. The PCB material was sent for destruction or decontamination. The voluntary program was completed on budget and a year ahead of schedule.

Mercury Monitoring and Reporting

OPG has worked with other Canadian utilities to implement a voluntary two year mercury monitoring and reporting program. This program involves the sampling, analysis and reporting of mercury in coal and ash, and testing for mercury content in flue gas.

As part of OPG's mercury program, full scale testing of mercury emissions was performed at Nanticoke GS in 2004 and 2005. Conducted in support of efforts to develop a standard for sampling emissions of mercury from coal-fired power plants, the program produced some of North America's most comprehensive mercury test data for various fuel blends and plant configurations. Lambton GS has also undertaken mercury monitoring (see inset).

Land Assessment and Remediation

In 1997, in response to a Director's Order from the Ontario Ministry of the Environment (MOE), OPG introduced a program to assess and remediate historical contamination on properties occupied by its generating facilities. The contaminants of concern were fuel oil, transformer oil, waste lubricants and tritium. Sites were assessed and

ranked as high, medium and low in reference to the need for remediation. OPG's first Site Assessment Plan, filed with the Ministry in 1998 and each year thereafter, identified 50 high priority sites with known or potential contamination. OPG has completed all of the assessments required by the Director's Order, and the Order was closed out by the MOE as of March 2004. Assessment of medium and low priority sites continues under OPG's voluntary site assessment program.

As of 2005, remediation of 19 medium and low priority sites had been completed. Remediation was ongoing at three sites and planned for one additional site starting in 2006. By 2007, remediation of all medium- and low-priority sites will be complete. All assessment and remediation work is peer reviewed by independent third party consultants.

In 2005, remediation was completed at one hydroelectric site (DeCew Falls) and one nuclear site (Darlington GS). Remediation was ongoing at one hydroelectric site (Dymond SC), one fossil site (Hearn) and one nuclear site (Pickering). Phase III groundwater monitoring continued at two hydroelectric sites (Abitibi Canyon, Beck - Parks TS) and at four sites within Bruce GS. Remediation plans were prepared for one nuclear site (Pickering GS).

Other Contaminants

OPG's National Pollutant Release Inventory (NPRI), which documents emissions to air, water and land for 2004, is presented in Appendix B. Based on this data, compiled by Environment Canada, no OPG plant is ranked among the 100 facilities in Ontario which release the largest amounts of known carcinogens to air or water.

For detailed information on the breakdown of OPG's NPRI data by emissions to air, water and land please visit the NPRI web site at http://www.ec.gc.ca/pdb/npri/npri_home_e.cfm .

Reducing the Use of Road Salt

In the 2004-2005 winter season, Darlington GS implemented practices to limit the use of road salt – which in higher concentration can have a negative ecological impact. The objective was to minimize salt use while maintaining safe site travel conditions in winter. Measures taken to reduce salt application included checking salt trucks for salt leakage during idling, sweeping up spilled salt, and recording overall salt usage. Tracking of salt usage will help to establish management practices for its application.

Biodiversity and Habitat Stewardship

The conservation of biological diversity is an integral part of OPG's sustainable development efforts. Biodiversity refers to the variety of life on earth. It includes the diversity of ecosystems, the diversity of species within those ecosystems and the genetic diversity within species.

Biodiversity Policy and Stewardship Programs: OPG has implemented a progressive Biodiversity Policy that is responsive to the Convention on Biological Diversity, Canada's *Species At Risk Act*, the *Ontario Endangered Species Act* and the Ontario Biodiversity Strategy. Our challenge and goal is to plan and manage activities in a manner that encourages, within a regional context, the continued existence of native species, and the ecosystems upon which they depend. Accordingly, protection of known sites with significant natural heritage values is a priority for OPG. Where this is not feasible, we restore areas that are recoverable and as a last resort, replace habitat in kind where financially and ecologically practical. Managing species at risk is an important aspect of OPG's biodiversity management programs.

Biodiversity Related Awards: OPG has received acclaim for its Biodiversity Policy and related programs by the World Business Council for Sustainable Development, the Electric Power Research Institute and the Wildlife Habitat Council (described below). We continue to be a leader within our industry in addressing biodiversity related issues.

OPG's biodiversity program includes the undertaking of biodiversity assessments and management plans at each of our major plants and land-holdings. In virtually all cases, we try to ensure that local conservation actions are responsive to broader regional conservation needs and priorities. Partnering with external conservation agencies and local municipalities helps to ensure a coordinated and enduring approach to habitat stewardship and conservation.

Wildlife Habitat Council (WHC) Recognizes OPG's Commitment to Biodiversity: One of OPG's more notable partnerships is with the U.S. based Wildlife Habitat Council (WHC), which was established in 1988. The WHC is a not-for-profit, non-lobbying group of corporations, conservation organizations and individuals dedicated to assisting corporate landowners in the development of programs that protect, conserve and enhance wildlife habitat and biodiversity and foster environmental values.

"Whether its our continuing focus on improving thermal efficiency of the units, efforts in reducing station emissions and waste streams, or planting of trees to improve the local wildlife habitat, the principles of sustainable development are useful guideposts in our efforts to improve operations at Pickering B."

Tom Mitchell, Senior Vice President, Pickering B Generating Station

As of 2005, seven OPG sites were certified by the WHC for their wildlife habitat programs: Atikokan GS and Lennox GS (both of which received WHC status in 2005), Darlington GS, Lambton GS, Nanticoke GS, Niagara Plant Group and Pickering GS. These sites have created and enhanced wildlife habitat on their properties, demonstrating their commitment to environmental stewardship and the conservation of native biodiversity.

Darlington GS and Pickering GS have also been certified for the WHC's "Corporate Lands for Learning" program. This certification recognizes the use of site resources to meet local environmental education needs.

The quality of the programs undertaken at OPG sites is reflected in international awards and nominations for awards that OPG has received from the WHC:

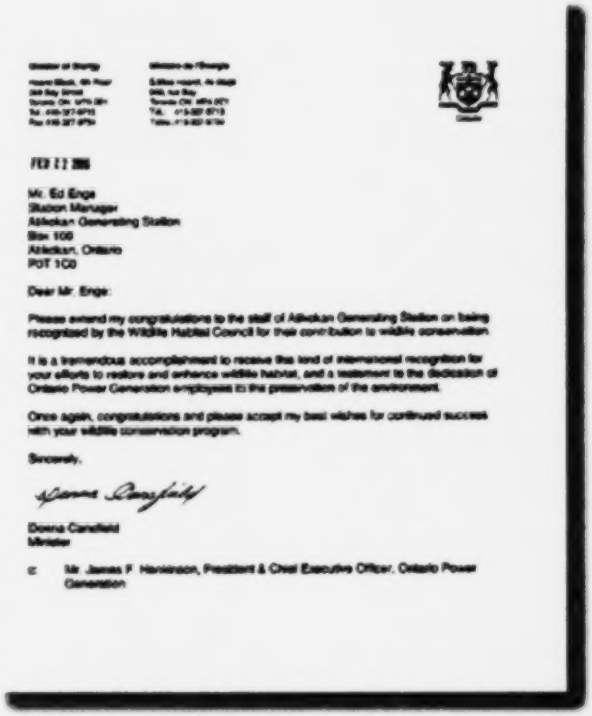
- 1997 - Darlington GS wins Rookie of the Year Award
- 2001 - Pickering GS wins Corporate Habitat of the Year Award
- 2004 - Pickering GS nominated for Corporate Habitat of the Year Award
- 2005 - Darlington GS nominated for Corporate Habitat of the Year Award
- 2005 - Lennox GS nominated for Rookie of the Year Award.

A summary of biodiversity management efforts, that were either ongoing or initiated in 2005, at WHC certified OPG sites follows.

Atikokan GS - Atikokan GS received WHC status in 2005.

Atikokan's ecological efforts began in 1995 with the planting of conifers along on-site roadways. The practice continued with an additional 2,100 pine and spruce saplings planted along the site's ash landfill berm in 2004, and 2,400 jack pine seedlings planted on the sand flats in 2005. The entire Atikokan site has been surveyed to identify various land classification types, to develop plant species lists and to monitor the success of planted species. In 2005, Atikokan GS worked with the Ontario Ministry of Natural Resources in the release of *Gallerucella* beetles, which feed upon and control the invasive plant, purple loosestrife.

Darlington GS - Plant communities vary throughout the Darlington site, from upland meadow, forest, marsh,



FEB 22

Mr. Ed Enge
Station Manager
Atikokan Generating Station
Box 100
Atikokan, Ontario
P0T 1C0

Dear Mr. Enge:

Please extend my congratulations to the staff of Atikokan Generating Station on being recognized by the Wildlife Habitat Council for their contribution to wildlife conservation.

It is a tremendous accomplishment to receive this kind of international recognition for your efforts to restore and enhance wildlife habitat, and a testament to the dedication of Ontario Power Generation employees to the preservation of the environment.

Once again, congratulations and please accept my best wishes for continued success with your wildlife conservation program.

Sincerely,

Donna Cansfield
Minister

c: Mr. James F. Hankinson, President & Chief Executive Officer, Ontario Power Generation

Community Partnerships
Darlington says thank you to our partners.
And so do the 900 species of plants and animals who live here.
ONTARIO POWER GENERATION

swamp and open beach. In 2005, 1,500 native trees were planted in a meadow area near the entrance to the site. A wildflower garden continues to be maintained adjacent to the site Information Centre. To provide high quality habitat for amphibians, waterfowl and other wetland species, four ponds were developed on site. The largest of the ponds is easily viewed and accessible from Darlington's Waterfront Trail. Three smaller and more secluded ponds were constructed between 1998 and 2005 to provide breeding habitat for waterfowl and amphibians. Construction of bird nest boxes for tree swallows and wood ducks has proven to be both beneficial to wildlife and educational to local students assisting in the program. Darlington's "Tuesdays on the Trail" program continues to engage thousands of children and parents in environmental education activities and to profile the rich ecology of the Darlington site.

Lambton GS - Over several years, including 2005, the local Conservation Authority and a school group in the Lambton GS area have helped to plant over 11,500 native trees in a 10-hectare fallow field, in an effort to reconnect a valuable woodland corridor. Natural area surveys were performed to determine species inventory and develop future projects. Additionally, an amphibian marsh monitoring study was conducted in 2005 to determine on-site wetland health. Areas which contain species of concern are posted as protected. Surveys also assess the progress of a native prairie area and an old field meadow planted with native tree species. Since its creation, the on-site tallgrass prairie plantation has been reseeded, rejuvenated with controlled burns, and evaluated for new species plots through partnerships with the Sydenham Field Naturalists and the Rural Lambton Stewardship Network.

Lennox GS - Lennox GS received WHC status in 2005.

On the Lennox GS site, a wetland covers more than 120 acres where ongoing management activities focus on enhancing the ecological integrity of wetland's marsh, thicket swamp and wet meadow. The wetland also supports a Great Blue Heron colony and one of the largest Black Tern colonies on the Great Lakes. Nearly 12,000 native shrubs and trees have been planted around the wetland and throughout the site. Site inventories continue to map habitat types, develop species lists, monitor breeding amphibians and generate future management recommendations. Future plans include the development of a conservation park with public access to lakefront property and the large wetland area.

Nanticoke GS - The wildlife team at Nanticoke GS continued to expand the parkland on its property with its naturalization project. Local scouts, community leaders, parents and volunteer staff members have planted over 25,000 native trees through this project since 1997. In 2005, the planting area was evaluated, as has been done in previous years, to gauge seedling survival, which has been high. Areas of the site with substantial wildlife value, such as its wooded wetlands, are protected by placing signs to limit disturbance by people. In addition to habitat enhancement projects, an engineered wetland treats effluent and provides additional habitat on site. In 2005, a marsh monitoring survey was initiated to identify breeding amphibians. Nanticoke continues to support a network of over 19 off-site partnerships, including support for the Haldimand Natural Heritage Framework and the Haldimand Area Woodlot Owners Association. These groups are focused on habitat enhancement and wildlife corridor development along the Nanticoke Creek watershed.

Niagara Plant Group - Activities to identify and enhance biodiversity for the Plant Group began in 1997. For example, a vegetation regeneration program was established through plantings of 2,300 native trees and shrubs to enhance the wildlife corridor around the Pump GS reservoir. Surveys of natural areas of Plant Group land holdings have identified rare and endangered species. In 2004, 1,000 native trees and shrubs were planted along

12 Mile Creek in partnership with the Niagara Peninsula Conservation Authority, Landcare Niagara and Trees Unlimited. Tree plantings continued in 2005, with an Earth Day Event where staff and family members planted over 2,500 seeds of Shagbard Hickory (a native Carolinian forest species). Also in 2005, an additional 5,300 native shrubs and tree seedlings were machine-planted along Twelve Mile Creek.

Pickering GS - A goal of the Pickering GS biodiversity program has been the creation of a wildlife corridor that connects significant natural areas from east to west. Almost 5,000 native trees and shrubs, and a wildflower garden, have been planted at several locations over the past four years to support the development of this corridor. In 2005, efforts to improve the environmental value of Pickering's Hydro Marsh included installation of a brush wall barrier to control carp, introduction of *Galerucella* beetles to control purple loosestrife, and installation of nesting structures for common terns, ospreys and black terns. Work was begun on creation of a Critical Function Zone along the edge of Hydro Marsh to provide ecological support to the marsh. Interpretive signs have also been installed in Alex Robertson Park to describe to the public the work being done to improve the environment in the park.

Additional On-Site Management - Not all of OPG's sites have chosen to certify their management plans through the WHC. Independent of such certification, many examples demonstrate OPG's efforts to reduce ecological impacts and enhance local habitat to better conserve Ontario's biodiversity. The following provides additional examples of OPG's efforts to conserve biodiversity at the plant level.

Northwest Plant Group - In 2005, the Ministry of Natural Resources (MNR) completed a second season of field work at Kakabeka Falls GS for its sturgeon research project. As was the case in 2004, in 2005 OPG remained committed to providing a minimum spill over the falls from May to June, which is critical for fish survival. The Ministry of Natural Resources tagged 15 adult sturgeon as they began their upstream migration in early May, and then tracked their movements using radio telemetry.

In 2006, the spill target will be examined to determine the critical depth necessary for sturgeon to access their spawning habitat near the falls. In the future, work will focus on identifying alternative spawning areas at and below Kakabeka Falls.

Northeast Plant Group - In 2005, the Lower Mattagami Work Centre partnered with a local school to conduct a one day awareness session regarding Lake Sturgeon habitat and relocation on the lower Mattagami River. This initiative took place with approximately 40 Grade Five students from St. Patrick's School in Kapuskasing as part of their science program. The Lake Sturgeon were removed from the main dam spillway area and relocated upstream into the Little Long GS head pond.

Ottawa St. Lawrence Plant Group (OSPG) - A sample of projects that were ongoing or initiated in 2005 included:

- Installation of an Osprey nesting platform at Chenaux GS.
- Modification of work plans at Chenaux GS, allowing the headworks crane to be put out-of-service while a pair of Ravens, a threatened species, raised their chicks in the crane.
- Planting of 300 seedlings on the claybank of the Madawaska River as part of the Arnprior River Bank Stabilization Project.
- Performing larval density monitoring at R.H. Saunders GS for zebra mussel control and chlorine use minimization. The program resulted in no discharge of chlorine to the river and it saved OPG approximately $30,000 per year in labour and chlorine costs.
- Improving employee awareness of biodiversity related activities through the development and publication of the quarterly "What's New in the Environmental Support Unit (ESU)" newsletter. The newsletter is circulated quarterly to all OSPG employees to advise of biodiversity related activities being implemented by the OSPG ESU and to solicit employee input.

Carbon Sequestration Linked to Biodiversity

OPG's biodiversity management effort also involves an off-site component, our Carbon Sequestration and Biodiversity Management (CSBM) program. This tree planting program links the need to sequester carbon, as an offset to greenhouse gas emissions from our fossil plants, with habitat restoration for forest wildlife that are at risk in southern Ontario. Since the spring of 2000, OPG and its conservation partners have planted close to 2.2 million native trees and shrubs on more than 1,000 hectares, addressing a variety of ecological restoration priorities across the southern Ontario landscape. In 2005, OPG planted in excess of 326,000 trees through its various partners. OPG estimates that its total tree planting effort of over two million trees could potentially trap and offset about 1,000,000 tonnes of CO_2 over the lifetime of those trees, which in turn will help to mitigate global warming.

Lambton GS tests new system to reduce fish entrainment from the St. Clair River

The entrainment of fish into condenser cooling water systems has been an important concern at OPG's generating stations on the Great Lakes. At the Lambton GS on the St. Clair River, the accumulation of large numbers of gizzard shad in the thermal discharge during winter months can result in the periodic, substantial entrainment of fish into the water intake. In 2004, the station began tests of new light and sound behavioural diversion systems to move shad and other fish away from the intake. Initial observations on the effects of the system on shad behaviour and impingement rates were promising. There was a marked reduction in fish impingement when the systems were in-service. The system was placed in service again in November 2005 to correspond to shad runs. It is estimated that the process is about 90 per cent effective. Ongoing refinements to the system continue.

- Earth Day Initiative – "For the Birds" provided employees with bird identification field guides and through a contest, promoted the use of recycled materials to build birdfeeders.
- Partnering with the Renfrew County Stewardship Program and Ducks Unlimited to provide funding for grade three/four classes to learn about wetland conservation.
- Partnering with the Ontario Ministry of Natural Resources and Resources Naturelles et Faune Quebec to study the biology and management of lake sturgeon in the Ottawa River.

OPG is proud of the work done at its sites to enhance wildlife habitat. Each site plans to continue this work for the benefit of local wildlife populations and for the enjoyment of members of the community in which OPG operates.

Water

Water provides a large-scale – and largely air emissions free – part of OPG's power generation capacity. Water is also OPG's lowest-cost source of electricity production. In addition to using water as a direct means to generate power, water is used for cooling and various processing applications at both the nuclear and fossil-fuelled stations.

Water Use in Hydroelectric

In 2005, OPG generated 32.6 GWh of renewable hydroelectric power, which was a decrease of approximately nine per cent relative to 2004 production. This decrease was due, in part, to a relatively dry season in 2005, which limited water flow and subsequent hydroelectric capacity and generation.

Water Management Planning

Through a consultative process, OPG, the Ontario Ministry of Natural Resources (MNR) and local stakeholders consider sustainable environmental solutions for water resources management.

In 2005, one of OPG's most notable water management planning initiatives was conducted by the Northeast Plant Group. Specifically, the Plant Group, with input from the

Durham Children's Groundwater Festival

Darlington GS worked in partnership with the Durham Children's Groundwater Festival Organizing Committee to teach environmental stewardship, as Grade Four students learned to become "water stewards". In addition to being on the Organizing Committee, Darlington GS provided staff to support the week-long event. Approximately 5,000 students participated in the program in 2005.

Lake Sturgeon Relocation

The Lower Mattagami Work Centre lead Grade Five students to further their understanding of ecological issues regarding Lake Sturgeon relocation

MNR and various local stakeholders, was progressive on several fronts:

- Abitibi Canyon Work Centre initiated a botanical investigation in support of the *Species at Risk Act.* This was done to determine if any rare flora (threatened or endangered) were located along the rock cliff walls downstream of the generating station.
- Lower Mattagami Work Centre installed duck nesting boxes within the Little Long GS headpond area. Ten nesting boxes were installed.
- Lower Mattagami Work Centre conducted the Annual Lake Sturgeon relocation to ensure Sturgeon are not entrained below the spillway structures at Little Long GS and Adam Creek.

Water Safety

In an effort to improve awareness of the potential dangers surrounding OPG's dams, hydroelectric stations and surrounding waterways, our staff works closely with partners in the site communities. Radio advertisements, newspapers and magazines describe the need to stay clear of hydroelectric sites. In 2005, OPG staff and community organizations distributed brochures, videos, a computer game for children, and provided numerous presentations to schools and community groups to help the public understand how the areas and waters around hydroelectric dams and stations can be dangerous (see inset).

In 2005, independent research was conducted in site communities to determine the effectiveness of this work. As in 2003 and 2004, the results in 2005 indicated that OPG's public education and awareness program was working. People were aware of what they needed to do to stay safe near hydroelectric dams and stations. OPG will continue it's efforts towards insuring the safety of the public around our hydroelectric facilities by raising awareness as well as maintaining the physical barriers which protect their safety (i.e. booms, fencing, signs, etc.).

Social Performance

OPG is committed to building quality relationships with our external stakeholders and employees. Most importantly, we strive to ensure that safety characterizes all aspects of our operations.

We also believe that a good company gives back to its host communities, thus we support many charitable and not-for-profit initiatives in the communities where we operate

Safety

OPG is committed to achieving excellent safety performance, as we strive for continuous improvement with the ultimate goal of zero injuries. A primary objective is to achieve excellence in employee, contractor and public safety through a corporate commitment to safety which includes the implementation of targeted risk mitigation programs and formal safety management systems across the company.

In 2005, OPG was the first and only recipient of the Electrical and Utilities Safety Association (E&USA) Gold Award in recognition of effective safety management systems and a strong safety culture across the company. This recognition followed a detailed assessment by the E&USA of OPG's safety management systems and interviews with staff.

OPG measures its safety performance primarily through two performance indicators - Accident Severity Rate (ASR) and All Injury Rate (AIR). The ASR is a measure of the number of days lost due to injuries. In 2005, OPG experienced 2.03 days lost per 200,000 hours worked. The AIR provides a measure of the frequency of injuries resulting in lost time or requiring medical treatment. In 2005, OPG experienced 1.33 injuries per 200,000 hours worked. OPG's ASR and AIR continued to be within the top quartile (2002-2004 average) of the Canadian Electricity Association.

Several initiatives were implemented in 2005 to improve safety performance:

- OPG continued to sustain a positive safety culture through various initiatives directed at strengthening individual responsibility for safety. One significant initiative was the "Keep Your Promise" communication campaign featuring posters of OPG employees describing their personal commitment to safety. OPG has also maintained a strong emphasis on the Internal Responsibility System, which focuses on the role of each employee to achieve a safe workplace.
- OPG also increased the focus on Young Worker Safety in 2005. The OPG Heath and Safety Policy now includes a commitment to the safety of young workers in the company as well as the communities in which we operate. There were also several key Young Worker Safety initiatives in 2005. OPG joined with well-known young worker health and safety advocate Rob Ellis, the Toronto District School Board and other executives from some of Ontario's corporations in an innovative forum to bring the vital message of workplace safety to over 5,000 Toronto students. A videotaped presentation of Rob Ellis discussing the issues of safety in the workplace was shown simultaneously in twelve high schools on May 6th. Following the video, students were able to address the company representatives, including those from OPG, in a question and answer period. OPG also met the Minister of Labour as part of this event to discuss OPG's role in promoting this worthy cause. Many of our sites were involved in outreach events involving young workers in the

E&USA Gold Award

In 2005, OPG's commitment to employee health and safety was recognized at the 90th Annual General Meeting of the Electrical and Utilities Safety Association (E&USA). OPG received the E&USA 'Gold Award' for excellence in building and maintaining a strong safety management system and safety culture. The Gold Award is E&USA's highest distinction for excellence in safety. OPG is the first and only recipient of this award to date. OPG's President and CEO, supported by the Unions and management staff from nuclear, fossil and hydroelectric businesses, accepted the Association's prestigious award. OPG was demonstrating a shared commitment to safety as a top priority and a core value.

"Sustainable development extends into our relationship with employees and business partners. Through changes in our senior leadership and our company's mandate, OPG's top business priority has consistently been safety excellence for our employees and contractors. In 2005, we were the first recipients of the Electrical and Utilities Safety Association's Gold Award for excellence in safety performance. This recognition encourages us to pursue our ultimate goal of zero injuries."

Janice Dunlop
Senior Vice President, Human Resources and Chief Ethics Officer

communities where we operate. OPG continued to offer Passport to Safety training to OPG students and the family members of employees, and we promoted the safety of young workers with employees through internal communications.

- OPG's Contractor Management Program was implemented in 2005. OPG's Health and Safety Policy states that OPG expects its contractors to "maintain an equivalent level of safety to that of OPG employees while at OPG workplaces". The program includes a process to qualify OPG's contractors, helping to ensure the safety of everyone on OPG worksites. OPG has shared this "best in class" program with several external organizations hoping to improve safety.
- A commitment to Public Safety is an important part in the operation of OPG generating stations and is highlighted in OPG's Health and Safety Policy (see Water Safety).

Employee Wellness

The health and wellness of our employees is vitally important to OPG. OPG recognizes that healthy employees and healthy workplaces positively impact our business operations.

OPG provides a comprehensive set of employee wellness programs. Programs address health concerns that are important to our employees and business, and that encourage involvement in community activities that promote wellness.

Health education, illness prevention and programs such as the management of illness and disability help to reduce the adverse impact of absences on employee and business productivity.

One in five Ontarians will experience a mental illness in their lifetime. OPG recognizes that mental health and psychological well-being importantly affects our employees, business interests and the communities in which we work. Accordingly, as part of a proactive approach to mental wellness, OPG has partnered with our unions and other businesses to take a leading role in raising the awareness of mental illness and developing programs to effectively help and support those who may be in need. To illustrate:

- OPG and the Power Workers' Union are proud sponsors, along with other industry leaders in Canada, of the Courage to Come Back Awards which recognize the efforts of people who have successfully surmounted the challenges of mental illness and addiction.
- OPG is an active participant with the Global Business and Economic Roundtable on Addiction and Mental Health. The goal of this organization is to promote acceptance and awareness of mental illness and to minimize its effects on employees, their families and business.
- On-going mental health education is a cornerstone to promoting mental well-being and to reducing the stigma often associated with mental illness. Employees have access to a wide range of information and services, including a mental health video library, mental health workshops, stress awareness seminars, a mental health website, lunch and learns.
- On-site access to occupational health nurses and physicians, specialized professional mental health support services of an occupational psychiatrist and collaboration with organizations such as the Canadian Mental Health Association help to support employees and promote mental wellness.
- Effective disability management programs focus on early intervention including support and assistance

during a time of illness. OPG helps employees regain their physical, mental and social well-being and facilitates safe and timely return to work through:

  - » A comprehensive disability management program
  - » Involvement of on-site nurse care coordinators
  - » Availability of specialized professional health resources
  - » Use of video conferencing technology to reach employees in remote locations
  - » Collaboration of early and safe return to work programs with our unions

- Employee Family Assistance Programs provide a wide range of solution-focused advice, counseling and referral services to support the emotional and psychological well being of our employees.

Additional employee and community wellness programs supported by OPG include:

- Diabetes awareness and screening programs help recognize that diabetes is a growing health concern in Canada for our employees and their families. OPG employees participated in the "Walk to Cure Diabetes" to raise money for medical research for the Juvenile Diabetes Research Foundation.
- The Wellness Partners in Health program recognizes that employees are partners in our business operations. Topical health education is provided on featured health topics through awareness posters, lunch and learn sessions, newsletter articles and web-based information.
- Other illness prevention and health awareness activities include:
  - » On-site flu shot clinics
  - » Blood pressure screening
  - » Cholesterol screening
  - » Health fairs
- Employee fitness and healthy lifestyle behaviours are encouraged and supported by the availability of on-site fitness facilities or community facilities. The creation of two new OPG on-site fitness facilities is underway in the Durham region.
- Special programs and strategies to minimize the impact of immediate or potential health issues, such as West Nile Virus and flu pandemic preparedness planning, protect our employees and our business operations.
- OPG continues to support and participate in community-based wellness events. For example, 20 OPG employee teams, representing corporate, nuclear and fossil groups, participated in the 25th Annual YMCA Corporate Team Challenge to raise money for the YMCA Spirit of Giving Campaign which helps individuals and families access a wide range of YMCA programs in our communities.
- The annual Hydro Fun Run, organized by employee volunteers and sponsored by OPG in conjunction with Hydro One, Capgemini, Nuclear Safety Solutions, Kinectrics and Meridian, has promoted fitness, family participation and fun for 28 years.

OPG is committed to fostering and sustaining a healthy workplace which is supportive, engaging and highly productive. Wellness programs include:

- Training and on-going support to managers on organizational health and healthy workplaces.
- Implementation of progressive health and safety initiatives, such as Health Canada's Workplace Health Model.
- Participation and celebration in Healthy Workplace Week, to increase awareness of the importance of workplace health to our employees and business.

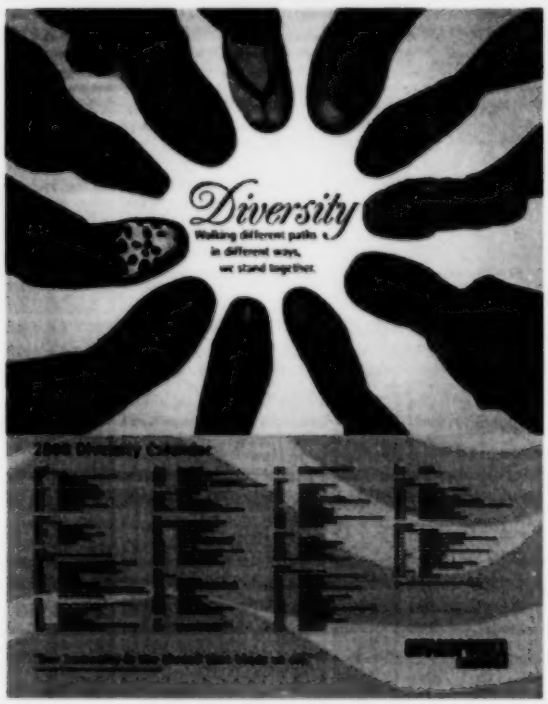
Diversity and Employment Equity

OPG's commitment to diversity is articulated in our corporate policies on Diversity, Equity and Human Rights, and in our Code of Business Conduct. Complementing these policy statements is a long-standing vision developed by the Corporate Tripartite Diversity Committee that underscores OPG's commitment to having "...an equitable and diverse workplace where everyone can realize their full potential with equal access to opportunities." At its core, diversity at OPG means creating respectful and inclusive workplaces that value employees and appreciate their differences.

OPG's commitment to diversity is also linked to Employment Equity (EE), as defined by the federal legislation that focuses

on employment for designated groups – specifically women, visible minorities, Aboriginal peoples and people with disabilities. Like all federally-regulated employers, OPG is subject to periodic audits on our compliance with the *Employment Equity Act*. We have developed a comprehensive corporate EE Action Plan that was submitted to the auditor – the Canadian Human Rights Commission – in 2005.

The focus of our EE efforts in 2005 was to develop a meaningful and actionable corporate plan to address barriers to the full employment, development and advancement of designated group members in occupations where they are under-represented (compared to relevant external workforce availability). Extensive consultation with employees in different occupations, at different work sites, at different levels had provided the company with feedback on its employment systems and its work environments. Using feedback gathered from this consultation, local plans were designed within distinct business areas or geographic sites to address issues or opportunities with the greatest potential impact. These local plans were then consolidated into a comprehensive corporate EE Plan, identifying a wide spectrum of actions critical to the company's overall achievement of EE goals and objectives.



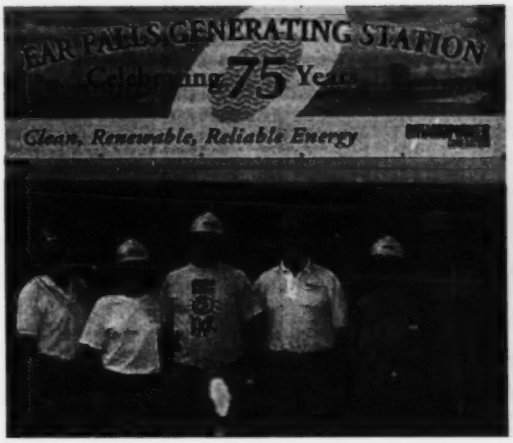
Implementation of the EE Plan is already well underway. One of the primary action areas identified as key to the improvement of representation of designated group members was strategic, targeted recruitment and outreach. OPG has a history of working collaboratively with external agencies that facilitate a connection between employers' designated group members seeking employment. We need to expand and strengthen our alliances, engaging in active, community-based partnerships to help us reach a diverse pool of talented candidates and to enable us to create and sustain workplaces that are inclusive, welcoming and respectful. To this end, OPG has developed a diversity-focused recruitment and outreach strategy. As part of this strategy, we have subscribed to an external service that augments current recruitment strategies, attracting diverse individuals that may not be identified through traditional recruitment methods. On another level, OPG seeks to involve a diverse mix of employees in a variety of outreach activities. For example, trades women from across the company regularly participate in career fairs and Skills Canada events for young women – helping to demonstrate there are great career opportunities for women in trades at OPG.

Our employees are actively involved in promoting principles of diversity and employment equity both inside the company and in their communities. In 2005, OPG invited employees to participate in The Mentoring Partnership, a new venture with Toronto Region Immigrant Employment Council. Designed to help new immigrants to the Greater Toronto Area gain understanding of the job search process, this program relies on volunteer mentors. By all accounts, OPG volunteers found their involvement in The Mentoring Partnership to be a wonderfully satisfying experience – and many plan on continuing their involvement, offering their skills and advice to others seeking employment.

Code of Business Conduct

OPG's Code of Business Conduct Policy helps to define our company's culture by establishing the standards, expectations and accountabilities for ethical business behaviour. The Code is based on Integrity, Excellence, and Citizenship. It is supported by many other corporate policies and procedures that reinforce business conduct leading to individual and company success.

Within the code, there are some key values and principles that are simply non-negotiable for the company to be successful. These include:



Ear Falls GS Celebrates 75 Years In the Community

Ear Falls GS marked its 75th Anniversary in 2005. Built in 1929, the station went into service in early 1930. To celebrate this occasion, Northwest Plant Group joined with the July 1st Ear Falls Community Canada Day Event as a sponsor and major participant.

At the event, an OPG tent was set up complete with a historical photo display, Ear Falls GS brochures and tattoos and balloons for the children. The station was polished and dressed up with a new banner and historical display. Guided tours were provided throughout the day by OPG's Ear Falls work centre employees. The whole day was topped off by the Canada Day fireworks display.

- An absolute commitment to the safety and health of our employees and the communities in which we live.
- Respect for each other, our customers, and stakeholders.
- Respect for the environment.

Each of OPG's Executive Committee members is accountable for monitoring compliance with the Code within their business and for submitting an annual due diligence report to the Chief Ethics Officer.

Managers continue to have accountabilities within the Code, including:

- Ensuring that all of their employees, both current and new hires, understand their responsibilities under the Code and are in compliance.
- Ensuring that all of their employees complete any required training on the Code and any required sign-off. New employees are required to complete Code of Business Conduct Training as part of their orientation through the Code of Business Conduct Computer Based Training.
- Reporting suspected violations of the Code to their supervisors and/or the Chief Ethics Officer.
- Ensuring employees complete a written declaration of any potential or actual conflict of interest and addressing any issues in consultation with the Chief Ethics Officer.
- Creating a work environment that encourages ethical behaviour.

Striving to be a Good Neighbour

In the communities where OPG operates, staff maintain an ongoing open dialogue with local stakeholders, which includes neighbours, community organizations and political representatives. Formal updates with mayors, councils, MPs, MPPs and their staff are held to keep our host communities informed about our generating stations and our company, and to help us understand how we can improve our support in communities.

The company sponsors and participates in many community events where OPG staff can speak directly with neighbours, one-on-one, about their interests and concerns.

Neighbours Newsletters

OPG publishes community newsletters called Neighbours, at each of our major fossil and nuclear generating stations and the Western Waste Management Facility.

Neighbours provides information on plant performance and updates the community on local environmental, educational and community projects supported by OPG. We strive to make the language about technical topics user-friendly. We regularly ask for feedback from our neighbours on these publications, and suggestions for improvement are often incorporated into future publications. The papers are published and distributed on a regular basis to the local community.

Tree Planting in Alex Robertson Park a Tremendous Success

In 2005, close to 200 volunteers from the local community and from Pickering GS planted more than 1,200 trees and shrubs in Alex Robertson Park. Tom Mitchell, Pickering B Senior VP, Pickering Mayor Dave Ryan, Waterfront Coordinating Committee Chair, Councillor Maurice Brenner, and OPG Environment Programs Department Manager, Frank Bajurny, all participated in a ceremony that was held prior to the planting to officially unveil the new interpretive signs.

"I would like to submit my praise for the fantastic tree planting event on Saturday. The skies were blue, the sun brilliant and the soil well prepared - so much that all the trees were successfully planted well before noon! I brought my daughter (3 1/2 years) and son (2 years) and they really had a good time, so much that when we got home my son had to call his "Grampa" to tell him about the Mommy and Daddy worms he had found. Hats off to all those involved in creating a favourable family outing. My family looks forward to future trips to the park to check in on their contribution to the watershed."

Lianne Lees, Assistant Technical Engineer/Officer

Corporate Citizenship Program (CCP)

As a large company and a primary employer in many Ontario communities, OPG takes seriously its responsibility to be a good corporate citizen and neighbour. We believe that good corporate citizenship is directly based on operating our electricity generating facilities in a safe, efficient, productive and environmentally responsible manner. We also believe that a good company gives back to its host communities, thus we support many charitable and not-for-profit initiatives in the communities where we operate.

Under its Corporate Citizenship Program (CCP), OPG carefully considers proposals from registered charities and not-for-profit organizations; these may include donation or sponsorship requests for financial and/or in-kind contributions, strategic alliances, awards, grants, scholarships and mentoring programs. Our CCP focuses support in the areas where OPG and our host communities have special interest. This includes initiatives that are innovative and are consistent with the company's commitment to be an engaged and productive member of the community. Ultimately this means minimizing our impact on the environment and ensuring that our contribution to the broader community is consistently positive.

To achieve this goal, OPG's CCP focuses support within our plant communities in three primary areas:

Environment: We contribute to a healthier environment for future generations by providing support for innovative environmental initiatives and partnerships that look at solutions - ones that focus on wildlife and habitat restoration, naturalization, emissions reduction, biodiversity, recycling and environmental education.

Education: We help future generations through support of youth educational initiatives at the primary, secondary and post-secondary levels. Specifically, we focus on projects that promote science, engineering, technology, business and the environment through educational programming, scholarships and awards, sponsorship of camps, competitions and conferences, as well as educational and mentoring programs.

Community Initiatives: In addition to local environmental and educational initiatives, we support health and safety organizations, arts and cultural initiatives, humanitarian organizations such as the United Way, food banks, shelters and local youth amateur sports initiatives.

Examples of OPG's 2005 initiatives funded through the CCP include:

- **OPG's Sponsorship of National Engineering Week (NEW):** The program is an educational initiative targeted to children seven to 14 years of age, their parents, teachers and the Ontario public, to raise awareness of the role that engineering and technology play in our daily lives, and to encourage young people to consider a career in engineering and technology. During NEW 2005, engineers, technicians and engineering and technology students organized over 130 events and activities in 40 communities across Ontario, attracting participation from over 30,000 children, teens and adults. About 6,400 enthusiastic children, volunteers and parents participated in K'NEX construction workshops at the Ontario Science Centre in Toronto, the London Regional Children's Museum, the Canada Science and Technology Museum in Ottawa, Science North in Sudbury and The Waterloo Regional Children's Museum in Kitchener. All five centres held bridge-building challenges. Other Ontario activities included robotics competitions, career talks, mall displays and

Ottawa St. Lawrence Peregrine Falcons

Pictured here are Kilowatt, Lennox and Saunders at the hack box on the precipice of a cliff overlooking Charleston Lake. The latter two peregrine falcons were named after OPG facilities.

demonstrations, seminars and design projects including a mousetrap-powered vehicle and a rubber band-powered car. OPG engineers and staff participated in NEW events/workshops at various locations across Ontario.

- **OPG Secondary School Student Achievement Award:** The 2005 awards celebrated 205 exceptional recipients from over 100 Secondary Schools in our site communities. These awards recognize the recipient's outstanding academic achievement, communication and leadership skills and involvement in extracurricular activities. The awards target students with a particular interest in post-secondary studies in the fields of engineering, science, technology, environmental studies, physics, mathematics and business. An OPG ambassador presents the awards at each school graduation and each recipient receives a bursary towards their post-secondary education and a Certificate of Achievement.

- **OPG Sponsorship of Youth Amateur Sports:** OPG had 230 youth amateur sports teams under sponsorship representing thousands of youth in our host communities that are playing on OPG sponsored teams in hockey, baseball, lacrosse, basketball, soccer, ringette, figure skating, karate, gymnastics and swimming.

- **Lennox GS and Ottawa St. Lawrence Plant Group Support the Canadian Peregrine Foundation:** OPG has a long history of support for the Canadian Peregrine Foundation's (CPF) research, restoration and environmental education programs. For example, in 2005 OPG provided support for twenty-nine CPF Environmental Education Project School Visits near our major generating stations.

  In addition, OPG's Lennox GS and Ottawa Plant Group partnered along with the Leeds County Stewardship Council to support one of the CPF's last Hack Box Release's of three young peregrine falcons at Charleston Lake. The peregrine falcon chicks were purchased from a breeding facility in Alberta and transported to Charleston Lake (see inset). The three young falcons were kept in their hack box at Charleston Lake and fed for several weeks before the hack box was opened and they began to explore their new surroundings. More than 600 peregrine falcons have been released in Ontario by the CPF in its history, re-establishing a population of birds that did not have a single breeding pair in Ontario in 1980. The success of the CPF's Restoration Program has resulted in 47 breeding pairs in Ontario, which may herald the decision to delist the bird among the Ontario endangered species list. OPG is proud to be a part of CPF's peregrine restoration efforts.

- **OPG Supports Children's Water Festivals:** Across Ontario, OPG continued to support Children's Water Festivals in Eastern Ontario, Niagara, Grey-Bruce and Durham region. The festivals help thousands of children learn about the role water plays in our daily lives and the importance of water conservation and water safety. OPG also provides its "Stay Clear Stay Safe" public water safety educational materials to festival participants.

- **Thunder Bay GS Sponsors Waterfowl Migration Day:** Thunder Bay GS provided sponsorship to the Mission Island Marsh and Conservation Area to assist with waterfowl migration. Additionally, the station assisted the Lakehead Region Conservation Authority with tree planting projects at the Marsh.

- **OPG Sponsors City of Toronto's Bike Week 2005:** In May, several OPG employees joined about 1,000 other bike commuters at various rally points around the city, as part of the group commute to Nathan Phillips Square to launch the city's Annual Bike Week Celebrations. The city's Bike Week encourages cycling as a sustainable transportation alternative to cars. Bike Week runs nearly two full weeks with more than 120 events. It incorporates everything from safety clinics, special rides through scenic neighbourhoods, bicycle commuting competitions and bike-centered events like the Ride for Heart.

- **The Driftwood Theatre Group Support:** For more than a decade, The Driftwood Theatre Group has been delighting audiences with Shakespeare in the park performances. Since 2004, Pickering GS and Darlington GS have been 'in the act' through sponsorship of The Driftwood Theatre Group's Summer Production Tour which brings live theatre to Durham Region and several other communities across Ontario. In 2005, The Driftwood Theatre Group entertained audiences with their production of "The Complete Works of William Shakespeare". The 2005 summer tour was so successful that The Driftwood Theatre Group, with support from OPG, will embark on a 2006 School Tour in Durham Region.

- **Nishnawbe Aski Nation Sponsorship:** OPG's Northwest and Northeast Plant Groups are major Sponsors of Nishnawbe Aski Nation's (NAN) Centennial Commemoration for the signing of the James Bay Treaty No. 9. The commemorations are taking place throughout 2005 and 2006 in 15 NAN First Nation communities in Northern Ontario.

- **Atikokan Boy Scout Sponsorship:** The cornerstone of OPG's Atikokan GS Biodiversity Policy is the principle of maintaining the existing variety of flora and fauna present on the plant site. As such, in 2005 it was a natural fit for Atikokan GS to lend support to the Atikokan Scout Group to help local youth develop a variety of skills and raise awareness of environmental stewardship – not to mention the wonderful job the group did helping to "green" the Atikokan site by planting over 2,000 trees near the plant's ash landfill site.

In total in 2005, the CCP contributed $1.7 million to approximately 750 programs.

Also in 2005, independent of the CCP, OPG's employees and pensioners contributed $1.87 million to a variety of charities through OPG's Annual Charity Campaign.

Community Accolades

In 2005, OPG's commitment to the communities where the company operates was recognized by a variety of organizations, as follows:

National Engineering Week 2005

Daisy Wu, OPG Assistant Technical Engineer, was a volunteer during National Engineering Week 2005. She is shown with a "future engineer and his father" putting the finishing touches on their bridge during one of the NEW Construction Workshops held at the Ontario Science Centre.

"The people of Northwestern Ontario value their unique lifestyle within the natural environment. Using sustainable development as a foundation, Thunder Bay GS and Atikokan GS operations live out this regional value with strong environmental and safety performance while producing a valuable product for the region."

Jane Todd
Project Manager - TBGS Gas Conversion Program Manager-Northwest Thunder Bay GS

- Pickering GS received the United Way 2005 Corporate Citizenship Award for its outstanding contribution to the community.
- Nanticoke GS received a "Passport to Prosperity" award from the Grand Erie Training and Adjustment Board. The award recognizes the co-op work opportunities provided to a secondary school student through the Nanticoke Co-op program.
- Thunder Bay GS won the 2005 Municipal Green Award for a business with 50+ employees. The award was based on the variety of successful recycling efforts at the plant. In 2005, Thunder Bay GS recycled 6000 kg of paper and cardboard, 1500 fluorescent tubes, 1115 L of Varsol, wet cell batteries, auto batteries, dry cell batteries, scrap metal, toner cartridges, fly ash, bottom ash and electronic waste.

Economic Performance

Relative to the economic dimension of sustainable development, OPG creates value for the government and residents of Ontario that goes beyond our commitment to ensure a reliable supply of electricity. For example, value creation results through payments made to the Province of Ontario, competitive employee compensation programs, the procurement of goods and services within the province and the moderating influence that our electricity supply has on the price that consumers pay.

"In Energy Markets, our job is to continuously optimize the dispatch of our portfolio of generating stations. This is not just about economics, but includes working cooperatively with the generating stations and production businesses to support their sustainability goals as they relate to fuel, emissions and the use of public waterways."

Jim Burpee, Executive Vice President, Corporate Development

OPG's Financial Performance Improved in 2005

OPG's 2005 net income was $366 million, compared to $42 million in 2004. These earnings will be reinvested in our business to maintain reliability and enhance the company's capacity and output.

These improved financial results were due to strong performance from OPG's generating assets and the implementation of regulatory changes which took effect April 1, 2005. In previous years, through the Market Power Mitigation Agreement (MPMA), OPG rebated almost $1 billion annually to benefit Ontario consumers – for a total of $4 billion between 2002 and 2005. The new pricing structure puts OPG on a firmer financial footing.

Under Ontario's new pricing regime, OPG received an average price of 4.9 cents/kWh on the 2005 output of all its generating facilities. This was higher than the 4.1 cents/kWh received in 2004, and helped account for OPG's improved financial performance. But it was still considerably less than the weighted average hourly Ontario wholesale electricity price of 7.2 cents/kWh received by Ontario generators selling into Ontario's electricity market. Recognizing that OPG produced about 70 per cent of Ontario's electricity, the lower price we received for our power represented a substantial moderating influence on the price that consumers paid.

Accounting for the Future

In 2005, OPG set aside $450 million in segregated funds to cover future costs of decommissioning our nuclear plants and storing their used nuclear fuel and will do so again in 2006. These funds now total approximately $7 billion against a present value liability of $9 billion. This effort means that almost 80 per cent of our nuclear waste and decommissioning liabilities have been addressed, which frees future generations from this obligation.

Strengthening Electricity Supply in Ontario

OPG continues to invest in several projects designed to provide more electricity supply to Ontario. These include several hydroelectric initiatives, reflecting an element of OPG's mandate, which is to increase its hydropower capacity through improvement, expansion and development. These initiatives include:

- Completion of a nine year rehabilitation initiative at the Beck 2 hydroelectric station, near Niagara Falls, which added 194 MW to OPG's hydroelectric capacity. The project was completed 15 per cent below its original estimated budget of $200 million.
- Construction launch of a new 10.5 km tunnel to divert more water to the Beck hydroelectric stations, increasing average annual output by approximately 14 per cent. The project is estimated to cost $985 million and will provide enough electricity to power a city the size of Burlington, Ontario, for one year. The tunnel is expected to be in service by 2009.

- Construction launch of a new 12.5 MW hydroelectric generating station at Lac Seul in Northeast Ontario. The planned in-service date for the new facility is late 2007 at an estimated cost of $47 million.

OPG is also investigating options for the redevelopment of four existing hydroelectric plants in the Lower Mattagami River system of Northeast Ontario, representing between 150 MW and 450 MW of additional capacity.

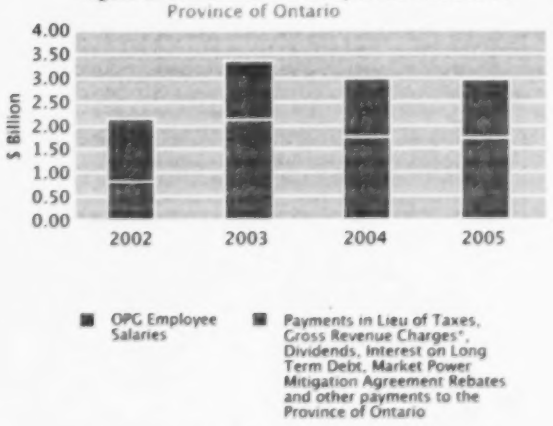
In partnership with TransCanada Energy, in 2005 OPG made preparations to proceed with construction of the Portlands Energy Centre, which will be a 550 MW combined cycle gas and cogeneration facility in downtown Toronto.

Also in 2005, OPG completed the return to service of the Pickering A, Unit 1 nuclear reactor. The project contributed 515 MW of electricity capacity to the province.

Employee Compensation and Provincial Payments

In ongoing efforts to attract and retain a highly qualified workforce, OPG offers employees competitive compensation. In 2005, compensation to OPG employees totaled approximately $1.25 billion (see Figure 6).

Figure 6: OPG Salaries and Payments Made to the Province of Ontario



* This amount only includes water rentals charged under the Gross Revenue Charge (GRC) regime. Therefore, it does not include amounts charged for non-provincial water rentals.

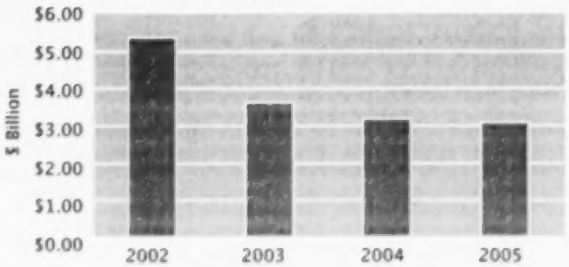
Recognizing that most OPG employees live in Ontario and purchase their goods and services locally, this compensation directs a substantial transfer of wealth back to the province.

OPG creates additional benefit for the provincial economy through payments made in lieu of taxes, gross revenue charges, dividends, interest on long term debt, Market Power Mitigation Agreement rebates (replaced by the revenue limit rebate, April 1, 2005), and other payments to the Province of Ontario (see Figure 6). In 2005, these payments totaled nearly $1.71 billion.

Purchase of Goods and Services

OPG provides support to the Province of Ontario through the purchase of goods and services. In 2005, the total purchase of goods and services in Ontario by OPG totaled $3.08 billion (see Figure 7).

Figure 7: Total Purchase of Goods and Services by OPG within Ontario*



* 2002 - 2004 data corrected from previous reporting

OPG Ventures Inc.

Through its wholly owned corporate venture capital group, OPG Ventures Inc. (OPGV), OPG continues to manage a portfolio of investments in enterprises developing and commercializing leading-edge energy technologies. OPGV was established to invest in private companies developing or commercializing emerging energy technologies for the

"The Hydroelectric business is all about sustainable development – we use a natural, renewable resource, water, to produce clean, renewable energy. We redevelop our existing hydroelectric facilities, and build new ones like the Niagara Tunnel Project, to meet the needs of the local community and the environment. In so doing, we are contributing to a sustainable future for generations to come."

John Murphy, Executive Vice President, Hydro

purposes of yielding financial returns and strategic benefits for OPG.

Since it was established in 2001, OPGV has invested directly and indirectly in small private companies developing technologies that generate, transmit, store, transact or utilize electricity more efficiently, more cost effectively and in some cases with reduced environmental impact. As of the end of 2005, the fair value of the investment portfolio was approximately $29 million.

Given OPG's current mandate to focus on its core generation business, OPGV has scaled back its investment activities to meeting existing commitments and making selective follow-on investments with a view to monetizing the investment portfolio in a manner that optimizes the return to OPG.

Appendices

Appendix A

Nuclear

General Information

Pickering A & B GS

Generation capacity:
Pickering A: 1,030 MW net
Pickering B: 2,064 MW net
Located on Lake Ontario in the city of Pickering, each generating station has 4 units. Two of the 515 MW Pickering A units taken out of service during the nuclear recovery program will not be refurbished.
Number of used fuel bundles stored on site: 533,694
Tel: (905) 839-1151

Generation (net GWh)							Critical Group Dose (µSv)						
2005	2004	2003	2002	2001	2000	1999	2005	2004	2003	2002	2001	2000	1999
17,441	15,872	12,770	14,300	12,957	9,968	13,649	6.8	4.1	4.7	6.3	6.8	3.6	13.1

Darlington GS

Generation capacity: 3,512 MW net
Located on Lake Ontario in the town of Newcastle, 70 km east of Toronto. This generating station has 4 units.
Number of used fuel bundles stored on site:
278,547
Tel: (905) 623-6670

Generation (net GWh)							Critical Group Dose (µSv)						
2005	2004	2003	2002	2001	2000	1999	2005	2004	2003	2002	2001	2000	1999
27,564	26,486	24,810	27,600	26,142	26,581	25,411	0.9	1.2	1.1	1.1	1.2	1.6	0.8

Hydroelectric

General Information

Niagara Plant Group

Generation capacity: 2,338 MW
Includes 5 stations, HQ in Niagara area

Net Generation (GWh)						
2005	2004	2003	2002	2001	2000	1999
11,902	12,597	11,944	12,288	11,980	12,246	12,355

Ottawa/St. Lawrence Plant Group

Generation capacity: 2,571 MW
Includes 10 stations, HQ in Renfrew

2005	2004	2003	2002	2001	2000	1999
11,567	13,002	11,935	12,262	11,494	11,873	11,550

Northeast Plant Group

Generation capacity: 1,294 MW
Includes 13 stations, HQ in Timmins

2005	2004	2003	2002	2001	2000	1999
4,109	5,320	5,515	4,750	4,740	4,671	4,958

Northwest Plant Group

Generation capacity: 661 MW
Includes 10 stations, HQ in Thunder Bay

2005	2004	2003	2002	2001	2000	1999
4,426	4,852	2,982	4,755	5,018	5,017	4,228

Fossil

General Information

Atikokan GS

Generation capacity: 215 MW net. Located west of Thunder Bay, the station has 1 coal-fired unit equipped with low-NOx burners.

Generation (net GWh)							Emissions (tonnes)							
2005	2004	2003	2002	2001	2000	1999		2005	2004	2003	2002	2001	2000	1999
965	1,018	948	823	838	964	1,115	SO_2	4,774	6,430	6,446	5,757	4,480	4,920	5,580
							NO_x	1,134	1,484	1,217	1,013	950	1,100	1,310
							CO_2	1,104,000	1,177,200	996,000	880,000	860,000	1,020,000	1,130,000

Lakeview GS

Generation capacity: 1,140 MW net. (to April 30, 2005). Located in Mississauga. The station had 8 coal-fired units, 4 of which were in operation to April 30, 2005 when the station ceased operation at the direction of the Ontario government.

Generation (net GWh)							Emissions (tonnes)							
2005	2004	2003	2002	2001	2000	1999		2005	2004	2003	2002	2001	2000	1999
660	2,297	2,806	2,450	3,081	2,505	3,271	SO_2	4,951	15,858	17,570	14,240	19,000	16,900	18,100
							NO_x	940	3,226	3,980	3,190	5,050	6,480	8,740
							CO_2	719,000	2,320,000	2,730,000	2,340,000	2,760,000	2,700,000	3,000,000

Lambton GS

Generation capacity: 1,975 MW net. Located on the St. Clair River south of Sarnia, the station has 4 coal-fired units, 2 of which are equipped with SO_2 scrubbers and selective catalytic reduction (SCR) equipment to reduce NOx emissions.

Generation (net GWh)							Emissions (tonnes)							
2005	2004	2003	2002	2001	2000	1999		2005	2004	2003	2002	2001	2000	1999
9,422	7,672	10,636	10,022	10,472	12,415	9,901	SO_2	29,343	25,509	36,880	29,910	28,300	41,400	27,300
							NO_x	5,070	5,389	7,190	9,750	11,800	14,800	12,800
							CO_2	8,649,500	7,109,900	9,500,000	8,990,000	9,420,000	10,800,000	7,800,000

Lennox GS

Generation capacity: 2,140 MW net. Located on Lake Ontario in the town of Greater Napanee. The station has 4 oil and/or natural gas-fired units.

Generation (net GWh)							Emissions (tonnes)							
2005	2004	2003	2002	2001	2000	1999		2005	2004	2003	2002	2001	2000	1999
1,263	602	2,775	2,762	3,243	1,298	2,393	SO_2	2,503	2,449	4,060	2,260	1,880	660	1,750
							NO_x	1,073	705	1,940	1,980	2,460	1,080	2,120
							CO_2	953,530	637,200	1,950,000	1,250,000	1,880,000	943,000	1,600,000

Nanticoke GS

Generation capacity: 3,938 MW net. Located on Lake Erie, the station has 8 coal-fired units fitted with low-NOx burners, 2 of which are equipped with selective catalytic reduction (SCR) equipment to reduce NOx emissions.

Generation (net GWh)							Emissions (tonnes)							
2005	2004	2003	2002	2001	2000	1999		2005	2004	2003	2002	2001	2000	1999
17,668	14,466	20,393	22,156	21,124	23,519	19,038	SO_2	67,946	61,256	83,970	86,670	86,500	92,900	81,800
							NO_x	15,146	13,789	23,860	24,420	22,480	25,200	24,300
							CO_2	17,580,000	14,671,800	19,740,000	21,370,000	20,260,000	21,500,000	17,000,000

Thunder Bay GS

Generation capacity: 310 MW net. Located in Thunder Bay, this station has 2 coal-fired units.

Generation (net GWh)							Emissions (tonnes)							
2005	2004	2003	2002	2001	2000	1999		2005	2004	2003	2002	2001	2000	1999
962	965	1,474	1,490	1,670	1,613	1,643	SO_2	4,215	5,035	8,895	9,100	8,810	7,490	7,720
							NO_x	1,792	1,702	1,972	2,042	1,970	1,870	2,080
							CO_2	1,149,600	1,118,500	1,581,000	1,663,000	1,900,000	1,820,000	1,600,000

Appendix A

Evergreen Energy

Evergreen Energy EcoLogo^{M}-certified	Generation (net GWh)						
Generation capacity: 152 MW HQ in North Bay	2005	2004	2003	2002	2001	2000	1999
EcoLogo^{M}-certified Green Power generation capacity from 32 OPG stations (25 small hydro stations including 4 Northeast Plant Group stations), 2 wind turbines, and 50% of Huron Wind (5 wind turbines, partnership with a consortium of Canadian companies): 134 MW (at Dec 31, 2005)	624	709	716	671	684	810	540
EcoLogo^{M}-certified Green Power capacity available from Power Purchase Agreements: 12 MW	37	47	41	42	41		
Total available EcoLogo^{M}-certified Green Power capacity: 146 MW	660	756	757	713	724		

Other Evergreen Energy capacity	Generation (net GWh)						
Other Evergreen Energy capacity (non-EcoLogo – Eugenia Falls hydroelectric station: 0.1 MW	27	23	18	24	31	29	17
Other capacity pending EcoLogo^{M} certification in 2001, certified in 2002 (Pickering Wind GS): 1.8 MW					0.7		

Indicator

ENERGY GENERATION BY SOURCE (gross GWh)	2005	2004	2003	2002	2001	2000	1999
Fossil	32,815	28,921	41,235	41,632	42,100	44,500	38,000
Hydroelectric (Renewable) (excl Evergreen Energy)	32,418	35,384	32,097	34,256	33,200	33,990	33,160
Nuclear	47,810	45,051	40,353	44,800	51,200	64,300	65,900
Evergreen Energy (includes 4 N.E. Plant Group stations)	688	780	774	737	736	610	540
Total Internal Energy Generated[1][2]	113,732	110,135	114,459	121,425	127,236	143,400	137,600

ENERGY GENERATION BY SOURCE (net GWh)	2005	2004	2003	2002	2001	2000	1999
Fossil	30,938	27,020	39,030	39,600	40,400	42,700	36,500
Hydroelectric (Renewable) (excl Evergreen Energy)	31,912	35,017	32,277	33,563	33,100	33,790	33,060
Nuclear	45,005	42,158	37,700	41,900	47,800	59,800	61,400
Evergreen Energy (incl 4 NE Plant Group stations, wind, power purchase)	687	780	774	737	736	610	540
Total Internal Energy Output[2]	108,543	104,974	109,781	115,800	122,036	136,900	131,500

ENERGY CONVERSION EFFICIENCY OF FOSSIL GENERATING STATIONS	2005	2004	2003	2002	2001	2000	1999
Total Energy Input (GWh equiv.)	92,986	82,823	118,215	118,796	118,200	123,800	102,500
Net Energy Output (GWh)	30,938	27,020	39,030	39,600	40,400	42,700	36,500
Fuel Conversion Efficiency (per cent)	33.3	32.6	33.0	33.3	34.2	34.5	35.6

OPG INTERNAL ENERGY EFFICIENCY	2005	2004	2003	2002	2001	2000	1999
Gross Generation (GWh)	113,732	110,135	114,459	121,425	127,200	143,300	137,600
Net Generation (GWh)	108,543	104,974	109,181	115,800	122,000	136,900	131,500
Generation Energy Efficiency (per cent)	95.44	95.31	95.39	95.37	95.91	95.53	95.57
Internal Energy Saving - Cumulative since 1994 (GWh)	2,948	2,890	2,783	2,443	2,370	2,133	1,897
Avoided CO_2, NO and SO_2 (tonnes)	2,882,929	2,913,547	2,582,214	2,276,437	2,182,272	1,932,541	1,680,192
$ Value of Energy Savings @ market clearing rate (2005 = 4.9¢/kwh; 2002-2004 = 4.3¢/kwh)	135,593,740	124,279,030	119,660,400	105,049,000			
Annual Incremental Energy Saving (per cent of internal energy use)	1.1	2.1	6.4	1.3			
Annual Incremental Energy Saving (GWh)	57.5	107.4	339.8				

(1) Evergreen previously included in Hydroelectric for 1999-2000

(2) Previous SD Reports included Evergreen in Hydroelectric for 1999-2000

Appendix B

ATMOSPHERIC EMISSIONS - FOSSIL	2005	2004	2003	2002	2001	2000	1999
Total Gross Annual CO_2 Emissions (tonnes)	30,155,630	27,077,400	36,498,700	36,710,600	37,000,000	38,500,000	32,100,000
Total Gross Annual SO_2 Emissions (tonnes)	113,642	116,912	157,809	147,208	149,000	164,100	142,100
Total Gross Annual NO Emissions (tonnes, as NO)	25,960	26,044	39,006	42,279	44,600	50,500	51,400
EMISSION RATES - FOSSIL							
CO_2 Emissions (tonnes/GWh-net)	974	1,002	935	927	916	901	880
SO_2 Emissions (tonnes/GWh-net)	3.67	4.33	4.04	3.72	3.69	3.84	3.9
NO Emissions (tonnes/GWh-net, as NO)	0.84	0.96	1.00	1.07	1.1	1.18	1.41
ATMOSPHERIC EMISSIONS – NUCLEAR							
Total Gross Annual CO_2 Emissions (tonnes)	11,459	7,247	15,961	9,800	56,800	121,600	147,200
Total Gross Annual SO_2 Emissions (tonnes)	2	20	3	12	400	914	299
Total Gross Annual NO Emissions (tonnes, as NO)	42	94	82	36	100	144	204
ATMOSPHERIC EMISSIONS - Total OPG							
Total Gross Annual CO_2 Emissions (tonnes)	30,167,089	27,084,647	36,514,661	36,720,400	37,057,000	38,622,000	32,247,000
Total Gross Annual SO_2 Emissions (tonnes)	113,645	116,932	157,812	147,220	149,400	165,000	142,400
Total Gross Annual NO Emissions (tonnes, as NO)	26,002	26,138	39,088	42,315	44,700	50,700	51,600
EMISSION RATES – TOTAL OPG							
CO_2 Emissions (tonnes/GWh-net)	278	258	334	317	304	282	245
SO_2 Emissions (tonnes/GWh-net)	1.05	1.11	1.45	1.27	1.23	1.21	1.08
NO Emissions (tonnes/GWh-net, as NO)	0.24	0.25	0.36	0.37	0.37	0.37	0.39
NUMBER OF REPORTABLE SPILLS							
Category A Spills	0	0	0	0	0	0	0
Category B Spills	0	1	3	1	0	1	0
Category C Spills	17	14	18	26	18	28	43
Category D Spills (effective July 1, 2005)	12	NR	NR	NR	NR	NR	NR
NR = not reported in given year							
PCB MANAGEMENT (tonnes)							
High Level PCB material in storage	1	2	2	4	21	65.5	39.9
High Level PCB sent for destruction	97	135	99	113	189	137	202
Estimated inventory of High-Level PCB material in service*	1,107	1,145	1,304	1,424	1,542*	1,660	1,789
Low-Level PCB materials in storage	2	1	6	5	7	3.5	19.4
Low-Level PCB material sent for destruction	74	38	9	8	3	11.5	8.7
Estimated inventory of Low-Level PCB material in service	2.6	4	4	6	1	2.9	3.1
* Includes in-service high-level PCB equipment at Bruce Power							

Appendix B

RADIOACTIVE WASTE MANAGEMENT	2005	2004	2003	2002	2001	2000	1999
Used fuel - Annual production (tonnes of uranium)	1,290	1,216	1,022	969	800	1,005	1,071
Used fuel in Storage (tonnes of uranium)	30,862	29,667	28,451	27,429	26,460	25,657	24,520
Low & Intermediate Radioactive Waste produced (m^3)	5,695	4,651	4,059	4,817	5,299	4,774	4,613
Low & Intermediate Radioactive Waste stored (m^3)	2,577	1,979	3,481	1,680	1,817	1,637	1,582
UTILIZATION OF SOLID COMBUSTION BY PRODUCTS							
Total Ash and Gypsum Produced (tonnes)	1,286,980	1,175,109	1,468,310	1,550,063	1,620,000	1,808,700	1,466,300
Total Ash & Gypsum Recycled (tonnes)	801,913	865,624	824,398	807,560	799,000	762,000	643,200
Diversion Rate (per cent)	62	74	56	52			
HAZARDOUS WASTE GENERATION							
Solids (tonnes)	348	645	220	225	290	397	126
Liquids (kilolitres)	1,567	2,313	4,488	6,100	7,941*	2,659	2,810
* Volume increase due to boiler cleaning at Pickering and disposal of water treatment wastes and resin at Darlington.							
WATER USE (million m^3)							
Turbine flows - hydroelectric stations (total flow)	440,574	485,901	417,212	447,574	433,772	441,862	422,916
Cooling and service water use (non-consumptive)	14,192	13,716	13,473	13,852	13,478	13,733	12,446

Appendix B

NPRI Emissions: air, water and land [1] – (tonnes unless otherwise specified)	2004 [2]	2003	2002	2001	2000	1999	1998
Aluminum	286.18	NR	NR	NR	NR	NR	NR
Ammonia	28.34	34.21	22.37	28.93	30.6	44.4	55.3
Arsenic	12.41	25.27	25.15	27.13	33.9	30.8	29.6
Asbestos	0	0	0	0	0	11.0 [3]	0
Benzo(a)anthracene	0.014	15	0.006	0.011	0.013	NR [4]	NR
Benzo(a)phenanthrene	0.041	0	0.000	0	NR	NR	NR
Benzo(a)pyrene	0.006	0.009	0.003	0.006	0.006	NR	NR
Benzo(b)fluoranthene	0.005	0.005	0.003	0.009	0.012	NR	NR
Benzo(e)pyrene	0.011	0.019	0.005	0.010	0.012	NR	NR
Benzo(g,h,i)perylene	0.010	0.011	0.003	0.010	0.014	NR	NR
Benzo(j)fluoranthene	0.000	0.003	0.000	0	NR	NR	NR
Benzo(k)fluoranthene	0.000	0.0 kg	0.0 kg	0.1 kg	NR	NR	NR
Cadmium	315 kg	10.2 kg	NR	NR	NR	NR	NR
Chromium	43.90	84.42	121.98	129.96	167.4	118.1	92.9
Cobalt	2.13	25.55	29.07	38.8	50.3	31.9	26.1
Copper	45.16	89.99	100.2	123.37	165.6	115.3	84.7
Dibenz(a,h)anthracene	0.002	0	0	0.003	0.004	NR	NR
Dibenz(a,j)acridine	0.005	0	0.001	0	0.019	NR	NR
Dibenzo(a,i)pyrene	0	0	0	0.001	0.001	NR	NR
7H-Dibenzo(c,g)carbazole	0.003	0	0	0	0.028	NR	NR
Fluoranthene	0.010	0.018	0.008	0.011	0.012	NR	NR
HCFC-22	0	0	0.81	NR	NR	NR	NR
Hexachlorobenzene	197.20 grams	33.39 grams	3.92 grams	185.85 grams	884.1 grams	NR	NR
Hydrazine	0.942	0.98	0.85	0.91	1.16	1.9	1.9
Hydrochloric Acid	5,037.46	4,871.07	9,231.04	8,902.54	9,728.3	7,037.7	6,709.6
Hydrogen Fluoride	403.9	538.65	551.19	520.1	597.1	339.4	295.0
Indeno(1,2,3-cd)pyrene	0.001	0	0	0.002	0.003	NR	NR
Lead	15.87	28.15	42.53	42.64	48.6	35.6	26.0
Manganese	59.32	147.98	159.66	172.46	211.7	142.3	157.9
Mercury	476 kg	883 kg	896 kg	821.08 kg	936.1 kg	NR	NR
Nickel	27.624	55.82	81.77	89.18	103.9	74.7	64.0
n-Hexane	0	0	24.56	NR	NR	NR	NR
Perylene	0	5 kg	0 kg	1 kg	NR	NR	NR
Phenanthrene	0.106	0.132	0.067	0.098	0.110	NR	NR
Phosphorus	349	NR	NR	NR	NR	NR	NR
Polychlorinated dibenzo-p-dioxins + dibenzofurans	3.13 g TEQ [5]	1.31 g TEQ	1.49 g TEQ	1.65 g TEQ	1.24 g TEQ	NR	NR
Pyrene	0.015	0.022	0.011	0.014	0.015	NR	NR
Selenium	5.15	15.26	20.79	19.72	16.0	12.1	9.4
Sulphuric Acid	4,972	728.44	698.93	795.2	949.9	794.7	863.9
Vanadium	64.79	149.46	214.15	196.76	NR	NR	NR
Zinc	46.95	71.94	132.17	99.86	109.9	76.8	81.9

(1) For detailed information on the breakdown of OPG's NPRI data by emissions to air, water and land, please visit the NPRI web site at http://www.ec.gc.ca/pdb/npri/npri_home_e.cfm
(2) Year 2005 data was not available at the time of printing.
(3) Asbestos removed from service for disposal.
(4) NR = not reported in given year
(5) g TEQ = grams Toxic Equivalent
(6) μ = microns (particle diameter)

Appendix B

Criteria Air Contaminants (tonnes)	2004 [1]	2003	2002	2001	2000	1999	1998
Carbon Monoxide	11,407.96	13,263.45	11,755.19	NR	NR	NR	NR
Oxides of Nitrogen (as NO2)	40,617.94	59,159.19	66,245.19	NR	NR	NR	NR
PM - Total Particulate Matter	8,696.56	12,130.13	12,479.9	NR	NR	NR	NR
PM10 - particulate matter ≤ 10µ [2]	5,801.61	8,090.62	8,341.12	NR	NR	NR	NR
PM2.5 - particulate matter ≤ 2.5µ [2]	2,376.28	3,308.87	3,370.92	NR	NR	NR	NR
Sulphur Dioxide	116,979.3	157,805.7	147,254.4	NR	NR	NR	NR
Volatile Organic Compounds	387.88	537.09	557.36	NR	NR	NR	NR

The Sustainable Development Policy*

Policy Statement: Ontario Power Generation is committed to becoming a sustainable energy development company. We will work towards this goal by applying the principles of sustainable development[1] to the generation and sale of electricity and related energy products and services. Enhanced environmental performance and increased competitiveness will be achieved through continual improvement in:

- Ecosystem protection,
- Energy and resource use efficiency,
- Pollution prevention, and
- Community relations.

Requirements: OPG will:

- Meet all legislative requirements and voluntary environmental commitments, with the objective of moving beyond compliance.
- Maintain environmental management systems consistent with the International Organization for Standardization (ISO) 14001 Environmental Management specification.
- Integrate environmental and social factors into our planning, decision-making and business practices.
- Apply the precautionary principle to assess the human health risks and environmental damage resulting from our operations, and any potential risks and impacts from new technologies and processes, even where scientific consensus has not yet established the level of risk or damage. Implement cost-effective mitigation measures for impacts that cannot be avoided.
- Develop the use of renewable energy and energy efficient technologies.
- Educate, encourage and empower employees to conduct their activities in an environmentally-responsible and sustainable manner.
- Measure and communicate our progress towards achieving sustainable development.

OPG management is accountable for the implementation of this policy. The Executive Vice President and Corporate Secretary is accountable for monitoring and reporting progress in implementing this policy on behalf of the President and CEO.

Board of Directors
Date: January 31, 2000

(1) Sustainable development is defined as "development which meets the needs of present generations without compromising the ability of future generations to meet their own needs." (World Commission on Environment and Development, 1987)

* Note: As of May 10, 2006, The Sustainable Development Policy was replaced by The Environmental Policy (www.opg.com)

k	kilo	x 10^3	kg = 1,000 grams	kWh (kilowatt-hour) = unit of electricity production
M	Mega	x 10^6	Mg = one million grams = one tonne	MWh (megawatt-hour) = 1,000 kWh which is approximately equivalent to the electricity used by on household in a month
G	Giga	x 10^9	Gg = 1,000 tonnes	GWh (gigawatt-hour) = one million kilowatt-hours which is approximately equivalent to the electricity used by 80 homes in one year
T	Tera	x10^{12}	Tg = one million tonnes	TWh (terawatt-hour) = 1,000 GWh which is approximately equivalent to the electricity used by 80,000 homes in one year. In 2005, OPG generated 109 TWh (net) of electricity

Gross generation (generally expressed in MWh)	Total electricity produced by a generating station
Net generation (generally expressed in MWh)	Gross generation minus internal energy use
Generation capacity (generally expressed in MW)	Indicator of generating station size based on its capacity to produce electricity on a continuous basis

Stakeholder Feedback on this Report

OPG's Sustainable Development Report 2005 profiles our successes and areas for improvement in reference to environmental, social and economic performance at the company, generating station and plant group levels.

To assist OPG in improving sustainable development performance, we invite you to submit comments and recommendations to Cara Clairman, the Acting Vice President Sustainable Development, at the coordinates provided on the back cover of this report. Your comments will prove invaluable in helping our company to strengthen it sustainable development performance.

Please Recycle

We are committed to protecting the environment and to the responsible use of natural resources. This book is printed on 100% post-consumer recycled paper, processed chlorine and acid-free and is printed with vegetable-based inks.

We welcome any comments or questions you may have about this report.

Please call : Vice President, Sustainable Development at 1 (416) 592-6844, or e-mail us at webmaster@opg.com

Our mailing address is: Ontario Power Generation, 700 University Avenue, Toronto, Ontario, M5G 1X6

Visit our Web site at: www.opg.com

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